Annual Report & Accounts 2015

Euromoney Institutional Investor PLC

Euromoney Institutional Investor PLC

Euromoney Institutional Investor PLC is listed on the London Stock Exchange and is a member of the FTSE 250 share index. It is a leading international business-to-business media group focused primarily on the international finance, metals and commodities sectors. It owns more than 70 brands including Euromoney, Institutional Investor and Metal Bulletin, and is a leading provider of electronic and investment research and data under brands including BCA Research, Ned Davis Research and the emerging markets information providers, EMIS and CEIC. It also runs an extensive portfolio of conferences, seminars and training courses for financial and commodities markets.

The group's main offices are in London, New York, Sofia, Montreal and Hong Kong and more than a third of its revenues are derived from emerging markets.

Year in Brief

NOVEMBER
Disposal of four Institutional Investor newsletter publications

DECEMBER
Disposal of Capital NET and Capital DATA and investment in Dealogic

During the year the company made three investments in financial technology companies starting with a 15.5% interest in Dealogic

JANUARY
London headquarters moved to Bouverie Street

FEBRUARY
Mining Indaba achieved revenues of £9.2m, attracting more than 6,500 attendees and 400 exhibitors and sponsors

APRIL
Announcement of new executive chairman Andrew Rashbass who was appointed to succeed Richard Ensor in October 2015

JULY
10% Equity investment in Estimize

SEPTEMBER
Richard Ensor retires after nearly 40 years of service

Investment in 9.9% of Zanbato

Rollout of Delphi platform completed with good results

Highlights

REVENUE
£403.4m

Year	£m
2015	403.4
2014	406.6
2013	404.7

ADJUSTED OPERATING PROFIT
£104.2m

Year	£m
2015	104.2
2014	119.8
2013	121.1

OPERATING PROFIT
£123.1m

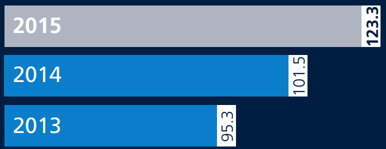
Year	£m
2015	123.1
2014	103.3
2013	105.3

ADJUSTED PROFIT BEFORE TAX
£107.8m

Year	£m
2015	107.8
2014	116.2
2013	116.5

PROFIT BEFORE TAX

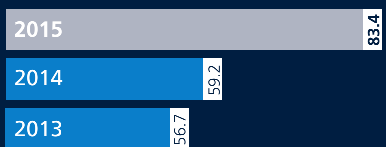
£123.3m



ADJUSTED DILUTED EARNINGS PER SHARE
70.1p

Year	p
2015	70.1
2014	70.6
2013	71.0

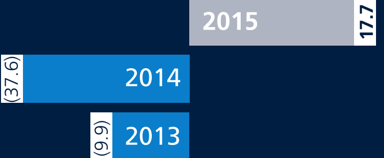
DILUTED EARNINGS PER SHARE
83.4p

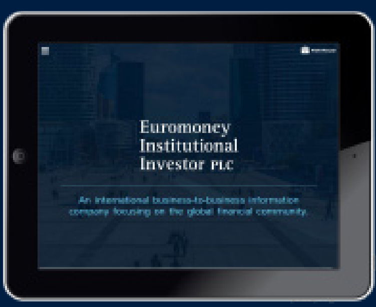


DIVIDEND
23.4p

Year	p
2015	23.40
2014	23.00
2013	22.75

NET CASH/(DEBT)
£17.7m





VISIT US ONLINE AT
EUROMONEYPLC.COM

Contents

OVERVIEW
Highlights 1
Our Divisions 2
Chief Executive's Statement 4
Appendix to Chief Executive's Statement 6

STRATEGIC REPORT
Managing Director's Review 7
Business Model 8
Marketplace 9
Strategic Priorities 10
Key Performance Indicators 12
Principal Risks 14
Operating Review 22
Financial Review 26
Corporate and Social Responsibility 28

GOVERNANCE
Board of Directors 31
Directors' Report 32
Corporate Governance 36
Directors' Remuneration Report 46

FINANCIAL STATEMENTS
Group Accounts
Independent Auditor's Report 70
Consolidated Income Statement 78
Consolidated Statement of Comprehensive Income 79
Consolidated Statement of Financial Position 80
Consolidated Statement of Changes in Equity 81
Consolidated Statement of Cash Flows 82
Note to the Consolidated Statement of Cash Flows 83
Notes to the Consolidated Financial Statements 84
Company Accounts
Company Balance Sheet 139
Notes to the Company Accounts 140

OTHER
Five Year Record 150
Shareholder Information 151

Our Divisions

Research and data

REVENUE
£125.8m

The group provides a number of subscription-based research and data services for financial markets.

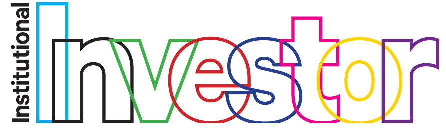
Montreal-based BCA Research is one of the world's leading independent providers of global macro-economic research. In 2011, the group expanded its independent research activities with the acquisition of US-based Ned Davis Research, a leading provider of independent financial research to institutional and retail investors. EMIS provides the world's most comprehensive service for news and data on global emerging markets and CEIC is one of the leading providers of time-series macro-economic data for emerging markets.

Financial publishing

REVENUE
£74.3m

Financial publishing includes an extensive portfolio of titles covering the international capital markets and asset management as well as a number of specialist financial titles. Products include magazines, newsletters, journals, surveys and research, directories and books.

A selection of the company's leading financial brands includes: *Euromoney, Institutional Investor, GlobalCapital, Latin Finance, Insurance Insider, IJGlobal, Air Finance, FOW* and the hedge fund title *EuroHedge*.



Business publishing

REVENUE
£70.0m

The business publishing division produces print and online information for the metals, minerals and mining, legal, telecoms and energy sectors.

Its leading brands include: *Metal Bulletin, American Metal Market, Industrial Minerals; International Financial Law Review, International Tax Review, Managing Intellectual Property; Capacity; Petroleum Economist, World Oil* and *Hydrocarbon Processing.*

Conferences, seminars and training

REVENUE
£131.1m

The group runs a large number of sponsored conferences and seminars for the international financial and commodities markets, mostly under the Euromoney, Institutional Investor, Metal Bulletin, Coaltrans and IMN brands. Euromoney Learning Solutions, the group's training division, runs a comprehensive range of banking, finance, energy and legal courses, both public and in-house.

Many of these conferences are the leading annual events in their sector and provide sponsors with a high-quality programme and speakers, and outstanding networking opportunities. Such events include: Euromoney's *Covered Bond Congress; the Saudi Arabia Conference; the Global Airfinance Conference*; and *Global ABS, ABS East* and *ABS Vegas* for the asset-backed securities market. In the commodities sector, events include Metal Bulletin's *Middle East Iron and Steel* conference and the world's leading annual coal conferences, *World Coal Conference* and *Coaltrans Asia*; and TelCap runs *International Telecoms Week*, the worldwide meeting place for telecom carriers and service providers, and *Capacity Middle East*, the world's biggest meeting point for all operations and service providers active in the Middle Eastern telecoms market.

Euromoney's training courses are run all over the world for both financial institutions and corporates.

DIVISIONAL SPLIT

- Conferences, seminars and training 33%
- Research and data 31%
- Financial publishing 19%
- Business publishing 17%

Chief Executive's Statement

It's a privilege to join Euromoney with its unique portfolio of businesses and outstanding people. Richard Ensor will be a tough act to follow. I know our shareholders will join me in thanking him for his decades of service to our company.

The results in this report reflect the strong headwinds, both cyclical and structural, facing many of our customers and our businesses. But they also show areas of real strength, for example in our asset-management-related businesses. They demonstrate, too, how cash generative the business is. These strengths create great opportunity. We are reviewing our strategy and we shall present to investors in early 2016.

The following is a summary of our results for the year ended September 2015:

- Our adjusted profit before tax was £107.8m. In 2014 it was £116.2m. Adjusted diluted earnings a share were 70.1p (2014: 70.6p). The directors recommend a final dividend of 16.40p (2014: 16.00p), giving a total dividend for the year of 23.40p (2014: 23.00p), to be paid to shareholders on February 11 2016.
- Total revenue of £403.4m fell 1% compared to the previous year. Underlying[1] revenue, after also excluding the impact of the timing of events, decreased by 2%. Subscription revenue grew at a consistent rate all year; advertising revenue declined throughout the year. On the other hand, event revenue declined in the second half of the year having grown in the first half. This was due to the downturn in commodity prices and weakness in emerging markets.
- Adjusted operating profit fell by £15.6m to £104.2m. The adjusted operating margin fell from 30% to 26%. Half of the decline in operating margin was as a result of factors we highlighted at the start of the year: higher property costs; the full-year impact of the group's investment in its Delphi content platform; and the impact of the Dealogic transaction. The other half came from higher people costs and from declining advertising and delegate revenue where there is little direct cost to be saved from the loss of revenue.
- The 7% fall in adjusted profit before tax was better than the 13% drop in adjusted operating profit because of a £2.5m credit (2014: £2.4m expense) from reversing last year's long-term incentive accrual, and an increase of £2.2m in the adjusted share of results in associates following the Dealogic transaction.
- Adjusted diluted earnings a share fell only 1% because of a lower tax rate and a reduction in the number of shares in issue following last year's share buy-back. Earnings for dividend purposes increased by 2% and this is reflected in the increase in the final dividend.
- The statutory profit before tax of £123.3m is higher than the adjusted profit before tax as a result of gains realised on assets sold during the period, partly offset by acquired intangible amortisation and goodwill impairment charges.
- The group continued to invest in its digital products during 2015 including rolling out Delphi to most of the group's remaining titles.
- The group ended the year with net cash for the first time since the acquisition of Institutional Investor in 1997. Net cash of £17.7m at September 30 compared with net debt of £37.6m at last year end. This reflects the group's strong operating cash flow, supplemented by net property proceeds of £10.6m following the group's move to new London offices. This was offset by net M&A of £15.6m, including £11.6m for the deferred consideration on the acquisition of Insurance Insider.

[1] Underlying revenues exclude the impact of acquisitions, disposals and currency movements. A detailed reconciliation of the group's adjusted results is set out in the appendix to this statement.

BOARD STRUCTURE

Following the initial stage of the strategic review, the board agreed that the company would be better served with a more traditional board structure, including the appointment of an independent non-executive Chairman and the creation of the new role of Chief Executive. This will improve the governance of Euromoney and simplify its management structure. Christopher Fordham, Diane Alfano, Bashar AL-Rehany, Neil Osborn and Jane Wilkinson will not seek re-election at the AGM. They have all made a huge contribution to the success of Euromoney over many years and will continue to play a central role in the development of the company. I look forward to working with them and the rest of the executive team.

OUTLOOK

The first quarter of the new financial year has started with a continuation of the challenging market conditions we experienced in the second half of financial year 2015. The group's activities in the investment banking and commodities sectors, which together account for more than two thirds of the group's revenues, continue to face significant structural and cyclical headwinds, while emerging markets remain generally weak. In contrast, the group's businesses serving the asset management industry, which are predominantly subscription-driven, have remained relatively robust. We expect these conditions to continue for the foreseeable future.

Finally, in my first few weeks with the company, I have discovered what I am sure our shareholders already know – that Euromoney is made up of dedicated and expert people who have shown great resilience and resourcefulness during a difficult year. I thank them and look forward to working with them all in the year ahead.

ANDREW RASHBASS

Chief Executive
December 14 2015

Appendix to Chief Executive's Statement

RECONCILIATION OF CONSOLIDATED INCOME STATEMENT TO ADJUSTED RESULTS FOR THE YEAR ENDED SEPTEMBER 30 2015

The reconciliation below sets out the adjusted results of the group and the related adjustments to the statutory Income Statement that the directors consider necessary in order to provide an indication of the underlying trading performance.

	Notes	**Adjusted £000**	**Adjustments £000**	**2015 Total £000**	Adjusted £000	Adjustments £000	2014 Total £000
Total revenue	3	**403,412**	**–**	**403,412**	406,559	–	406,559
Adjusted operating profit	3	**104,234**	**–**	**104,234**	119,809	–	119,809
Acquired intangible amortisation	11	**–**	**(17,027)**	**(17,027)**	–	(16,735)	(16,735)
Long-term incentive credit/(expense)		**2,490**	**–**	**2,490**	(2,367)	–	(2,367)
Exceptional items	5	**–**	**33,421**	**33,421**	–	2,630	2,630
Operating profit		**106,724**	**16,394**	**123,118**	117,442	(14,105)	103,337
Share of results in associates and joint ventures	13	**2,435**	**(2,816)**	**(381)**	264	–	264
Finance income	7	**379**	**4,748**	**5,127**	248	1,298	1,546
Finance expense	7	**(1,728)**	**(2,851)**	**(4,579)**	(1,799)	(1,873)	(3,672)
Net finance income/(costs)	7	**(1,349)**	**1,897**	**548**	(1,551)	(575)	(2,126)
Profit before tax		**107,810**	**15,475**	**123,285**	116,155	(14,680)	101,475
Tax expense on profit	8	**(18,890)**	**1,291**	**(17,599)**	(25,722)	112	(25,610)
Profit for the year		**88,920**	**16,766**	**105,686**	90,433	(14,568)	75,865
Attributable to:							
Equity holders of the parent		**88,678**	**16,766**	**105,444**	89,832	(14,568)	75,264
Equity non-controlling interests		**242**	**–**	**242**	601	–	601
		88,920	**16,766**	**105,686**	90,433	(14,568)	75,865
Diluted earnings per share	10	**70.12p**	**13.26p**	**83.38p**	70.60p	(11.45)p	59.15p

Adjusted figures are presented before the impact of amortisation of acquired intangible assets (comprising trademarks and brands, databases and customer relationships), exceptional items, share of acquired intangibles amortisation, tax in associates and joint ventures, and net movements in deferred consideration and acquisition commitments. In respect of earnings, adjusted amounts reflect a tax rate that includes the current tax effect of the goodwill and intangible assets.

Further analysis of the adjusting items is presented in notes 3, 5, 7, 8, 10, 11 and 13 to the group financial statements.

Managing Director's Review

Despite challenging market conditions this year, Euromoney's market-leading businesses are well placed to benefit from long-term global trends in the finance, metals and commodities sectors.

Euromoney's performance reflects the continuing challenges faced by the group's markets, particularly within the investment banking sector and in the latter stages of the year for the energy and commodity sectors. Headline revenues were down by 1% at £403.4m and underlying[1] revenues down by 4%. The pressures on the investment banking sector, which accounted for roughly half the group's revenues, and on fixed income, currency and commodities activities in particular, continued to offset the improving performance in the group's businesses serving the asset management sector.

The group continued to invest in technology and digital products and to roll out its Delphi digital platform for authoring, storing and delivering content. By the end of September, Euromoney had completed the transition of all applicable publishing products onto the Delphi authoring system. BCA Research's new Delphi tools – BCA Analytics, its standalone interactive charting tool, and BCA Edge, its fully integrated online research service – have begun to attract significant customer support.

The group's largest organic investment in 2015 was Institutional Investor's Investor Intelligence Network and Manager Intelligence Network. These capital introduction networks bring together institutional investors and asset managers from around the world in two separate but linked digital communities that allow them to connect, share knowledge and put capital to work. Revenues will come from capital introduction fees, data services, platform fees and, subject to regulatory approval in the US being obtained, which is now expected in spring 2016, the ability to charge basis points on capital placed.

The group made three minority investments in financial technology companies in 2015. The first was a 15.5% equity stake in Dealogic in December 2014, alongside the Carlyle Group which acquired a controlling interest. Further details of the Dealogic transaction are provided later in this report.

Secondly, in July 2015 the group acquired a 10% equity interest in Estimize, the most comprehensive crowd-sourced financial estimates platform for $3.6m. Estimize sources company earnings and estimates from over 7,000 hedge fund, brokerage and independent analysts as well as a diverse community of individuals. By being more representative of market expectations, Estimize has proved to be an especially accurate forecaster of company earnings. Estimize is working with BCA Research to develop new datasets, and BCA's extensive list of buy-side clients now has access to data and insights from Estimize.

Thirdly, in September 2015 the group acquired a 9.9% interest in Zanbato, an international private capital placements platform for $5.4m. Founded in 2010, Zanbato (www.zanbato.com) is based in California and builds technology to address inefficiencies in private capital markets. Zanbato's Marketplace software allows institutional investors and family offices to review private investment opportunities in pre-IPO company shares and real estate. Zanbato and Institutional Investor have also entered into a joint venture to bring together the technology of Zanbato and the market reach of Institutional Investor's Investor Intelligence Network to serve the institutional segment of the private placements market.

In 2015, the group also disposed of some non-strategic assets, predominantly print-based newsletters and magazines.

An indication of the trading outlook for the group is given in the Chief Executive's Statement on page 5.

Investor Intelligence Network

The group's largest current investment is the Investor Intelligence Network (IIN). The IIN is a digital disruptive technology that brings together institutional investors and investment managers in two separate but linked online communities.

It uses data science to connect these buyers and sellers of investment funds in a targeted way, displacing consultants and intermediaries in certain sectors.

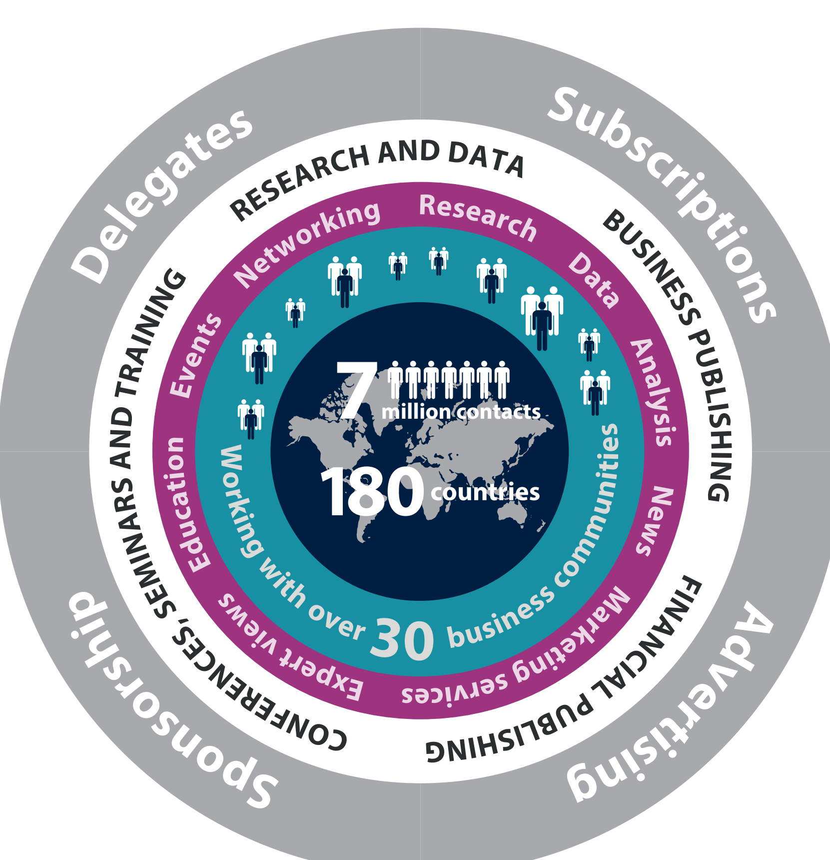
There was good progress in 2015, with membership growth up 28%, growth in total member assets up US$28 trillion and 180 new institutional investors have joined IIN in North America.

[1] Underlying revenues exclude the impact of acquisitions, disposals and currency movements.

Business Model

The group's activities are categorised into four operating divisions: Research and data; Financial publishing; Business publishing; Conferences, seminars and training (see page 2 for further details). The group has many valuable brands allowing the group to extend the value of existing products and to develop in new areas – both geographically and with new products. For example, information businesses often run branded events and produce data products covering their area of specialism. The group has a sizeable and valuable marketing database allowing new and existing products to be matched with relevant customers.

The group primarily generates revenues from four revenue streams: subscriptions; sponsorship; delegates; and advertising.



Subscription revenues are the fees that customers pay to receive access to the group's information, through online access to various databases, through regular delivery of soft copy research, publications and newsletters or hard copy magazines. Subscriptions are also received from customers who belong to Institutional Investor's exclusive specialised membership groups.

Sponsorship revenues represent fees paid by customers to sponsor an event. A payment of sponsorship can entitle the sponsor to high-profile speaking opportunities at the conference, unique branding before, during and after the event and an unparalleled networking opportunity to invite the sponsor's clients and representatives.

Delegate revenues represent fees paid by customers to attend a conference, training course or seminar.

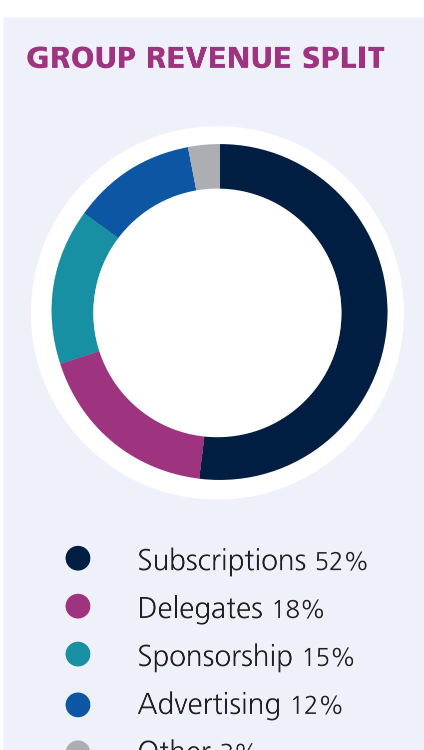
Advertising revenues represent the fees that customers pay to place an advertisement in one or more of the group's publications, either in print or online.

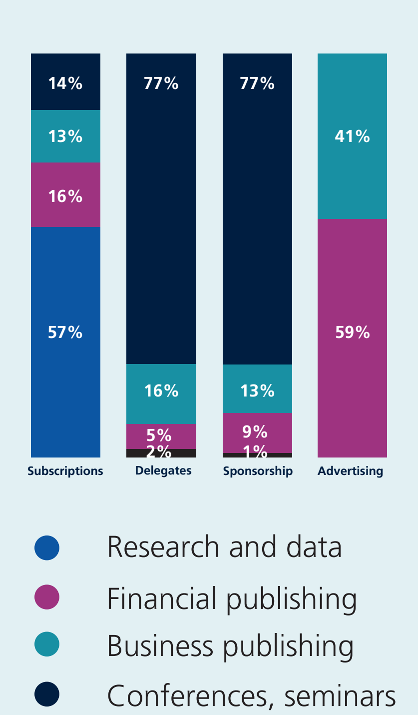
Details of the group's revenues by revenue stream and by division are set out in note 3 to the group financial statements.

The group's costs are tightly managed with a constant focus on margin control. The group benefits from having a flexible cost base, outsourcing the printing of publications, hiring external venues for events and choosing to engage freelancers, contributors, external trainers and speakers to help deliver its products. Other than its main offices, the group does not incur the fixed costs of offices in most of the markets in which it operates; this allows the group to scale up or reduce overheads as the economic environment in which it operates demands.

Marketplace

GROUP REVENUE SPLIT

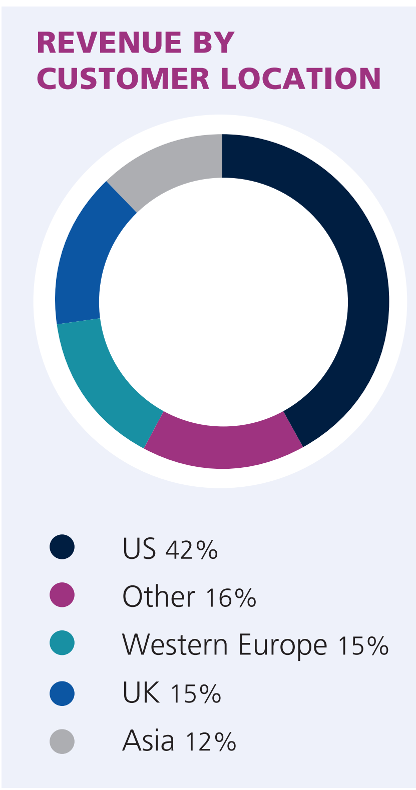




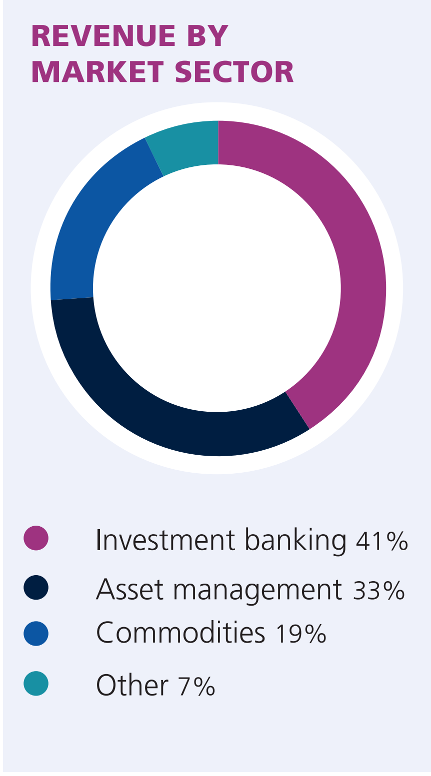
Euromoney has a global customer base with revenue derived from almost 200 countries; approximately 60% of revenues come from the US, Canada, UK and Europe and more than a third from emerging markets. Its customer base predominantly consists of global financial institutions, investment banks; commodity traders, miners; asset managers; governments, agencies and corporates; and service providers including lawyers, consultants and technology providers. Only 15% of revenues are derived from the UK and approximately 60% of the group's people are based outside the UK.

The group's total addressable market is driven by customers' capital and trading activities. The group's EDEN marketing database holds two million active names of which more than 600,000 have bought Euromoney's products in the past three years. However, more important than the size of the market is its propensity to spend which is driven by the profitability of the group's clients, their expectations of market developments and increasingly the regulatory environment. They spend more willingly where there is market share to be won than in a market in structural decline. Although total headcount in financial markets has been on a downward trend for the past five years, the group's strategy is driven by growing revenue per customer.

REVENUE BY CUSTOMER LOCATION



REVENUE BY MARKET SECTOR



Strategic Priorities

The group's strategy is designed to build a growing, robust and tightly focused global online information business with an emphasis on both developed and emerging markets. This represents a significant and challenging transformation from its roots as a traditional print publishing and events business.

The group's key strategic priorities are:

PRIORITIES	ACTIONS	KEY RISKS	KPIs
Increasing the proportion of revenues derived from electronic subscription products	The group has increased the proportion of revenues derived from subscription products, mostly online, to more than half of its total revenues and expects the proportion to remain between 50% and 60% for the foreseeable future. Subscription-based products, particularly online, usually have the advantage of premium-prices, high renewal rates and high margins.	• Downturn in economy or market sector	• Underlying subscription revenue growth • Subscription share of total revenues • Subscription retention rates
Investing in technology to drive the online migration of the group's products and develop new electronic information services	The group invests for the long-term in businesses and products that meet certain financial and strategic criteria. The group has completed its transition of all applicable publishing products onto the Delphi authoring system and continues to develop new electronic information services, and to take advantage of mobile and cloud technology.	• Data integrity, availability and cyber security • Failure of key technology • Failure of product strategy	• Investment in technology and new products • Online user engagement • Subscription retention rates
Maintaining products of the highest quality	Approximately two thirds of the group's revenues are derived from its information activities including online and print content, databases and research. The other third is derived from events including training. Since 2010, the group has been investing heavily in technology and content delivery platforms, particularly for the mobile user, and in new digital products as part of its transition to an online information business.	• Failure of product strategy	• Underlying revenue growth • Percentage of revenues delivered online
Building large must-attend events	The group consistently invests in and develops its event portfolio to ensure they evolve and adapt with their clients' changing focus and needs.	• Downturn in economy or market sector • Travel risk	• Repeat revenue rates • Sponsorship and delegate revenue yields • Audience quality measures
Eliminating products with a low margin or too high a dependence on print advertising	The group continues to eliminate products with a low margin or too high a dependence on print advertising. In October 2014, the group completed the sale of four of its Institutional Investor newsletter publications.	• Downturn in economy or market sector	• Revenue by type • Adjusted operating margin • Adjusted profit before tax

PRIORITIES	ACTIONS	KEY RISKS	KPIs
Maintaining tight cost control at all times	The group's costs are tightly managed with a constant focus on margin control. The group benefits from having a flexible cost base, outsourcing the printing of publications, hiring external venues for events, and choosing to engage freelancers, contributors, external trainers and speakers to help deliver its products. Other than its main offices, the group avoids the fixed costs of offices in most of the markets in which it operates. This allows the group to scale up resources or reduce overheads as the economic environment in which it operates demand.	• Downturn in economy or market sector	• Adjusted operating margin • Adjusted profit before tax
Retaining and fostering an entrepreneurial culture	The board does not micro-manage each business, but instead devolves operating decisions to local management, while taking advantage of a strong central control environment for monitoring performance and underlying risk. This encourages an entrepreneurial culture where businesses have the right kind of support and managers are motivated and rewarded for growth and initiative.	• Securing and retaining key staff	• Long-term incentives (see Directors' Remuneration Report) • Variable pay as a percentage of total pay
Using a healthy balance sheet and strong cash flows to fund selective acquisitions and strategic investments	While the market for acquisitions of specialist online information businesses remains competitive and valuations challenging, the group continues to use its robust balance sheet and strong cash flows to pursue further transactions. Equally, where businesses no longer fit, the group divests. The group has strong covenants and takes advantage of its ability to borrow money cheaply using these funds to invest in new products and fund acquisitions. The group's subscription revenues are normally received in advance, at the beginning of the subscription service, and a typical subscription contract is for 12 months. This helps provide the group with strong cash flows and normally leads to cash generated from operations being in excess of adjusted operating profit – a cash conversion percentage in excess of 100%.	• Acquisition and disposal risk • Treasury operations	• Cash consideration on acquisitions • Net cash/debt to EBITDA • Cash conversion rate

See page 14 for a detailed explanation of the group's principal risks and uncertainties and page 12 for the group's performance against its KPIs.

Key Performance Indicators

The group monitors its performance against its strategy using the following key performance indicators:

KPI	DESCRIPTION	PERFORMANCE
UNDERLYING REVENUE GROWTH	Total revenue at constant currency excluding acquisitions and disposals. Underlying revenues have fallen by 4% due to event timing differences and weakness in the second half from the commodities sector and emerging markets.	2011: 12%; 2012: 8%; 2013: 1%; 2014: 3%; **2015: (4%)**
UNDERLYING SUBSCRIPTION REVENUE GROWTH	Subscription revenues at constant currency excluding acquisitions and disposals. Underlying subscription revenues have been increasing at a steady rate of 2% from a combination of new products and a robust market landscape for the asset management sector.	2011: 14%; 2012: 4%; 2013: 2%; 2014: 2%; **2015: 2%**
SUBSCRIPTION SHARE OF TOTAL REVENUES	Subscription-based products, particularly online, usually have the advantage of premium-prices, high renewal rates and high margins. The group has increased the proportion of revenues derived from subscription products to more than half of its total revenues and expects the proportion to remain between 50% and 60% for the foreseeable future.	2011: 47%; 2012: 51%; 2013: 52%; 2014: 51%; **2015: 52%**
INVESTMENT IN TECHNOLOGY AND NEW PRODUCTS (£M)	The group's investment in technology and new digital products as part of its transition to an online information business.	2011: 9.0; 2012: 10.0; 2013: 19.0; 2014: 19.6; **2015: 17.3**
CASH CONSIDERATION ON ACQUISITIONS (£M)	The total cash outflow on acquisition-related activity net of cash acquired in the Consolidated Statement of Cash Flows.	2011: 67.2; 2012: 6.5; 2013: 28.1; 2014: 61.2; **2015: 12.7**

KPI	DESCRIPTION	PERFORMANCE
NET (CASH)/DEBT TO EBITDA	The amount of the group's net debt (converted at the group's weighted average exchange rate for a rolling 12-month period) to adjusted operating profit earnings before depreciation and amortisation of licences and software, adjusted for the timing impact of acquisitions and disposals. The strategic priority is to keep net debt to EBITDA below three times.	2011: 1.01; 2012: 0.27; 2013: 0.09; 2014: 0.30; **2015: (0.15)**
CASH CONVERSION RATE	The percentage by which cash generated from operations covers adjusted operating profit. The operating cash conversion rate was 105% (2014: 92%). This year the rate was more than 100% due to the favourable effect of the rent-free period on the new London offices. The rate was less than 100% in 2014 as the vesting of options under CAP 2010 triggered cash outflows of approximately £9m for which the expense was accrued in previous years. After adjusting for these factors, the underlying operating cash conversion rate was 101% (2014: 100%).	2011: 108%; 2012: 103%; 2013: 88%; 2014: 92%; **2015: 105%**
ADJUSTED PROFIT BEFORE TAX (£M)	Adjusted profit before tax as set out in the appendix to the Chief Executive's Statement.	2011: 92.7; 2012: 106.8; 2013: 116.5; 2014: 116.2; **2015: 107.8**
ADJUSTED OPERATING MARGIN	Operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items as a percentage of revenue. The adjusted operating margin fell from 30% to 26% in 2015, reflecting the impact of higher property and technology investment costs as well as the loss of contribution from Capital DATA following its sale to Dealogic.	2011: 30%; 2012: 30%; 2013: 30%; 2014: 30%; **2015: 26%**
VARIABLE PAY AS A PERCENTAGE OF TOTAL PAY	Staff incentives including bonuses, commissions and normal long-term incentive expense as a percentage of total staff costs as per note 6 to the group financial statements.	2011: 44%; 2012: 39%; 2013: 32%; 2014: 31%; **2015: 30%**

The key performance indicators are all within the board's expectations taking into account the challenging market conditions and these indicators are discussed in detail in the Chief Executive's Statement on pages 4 and 5, and in the Operating Review and Financial Review from page 22.

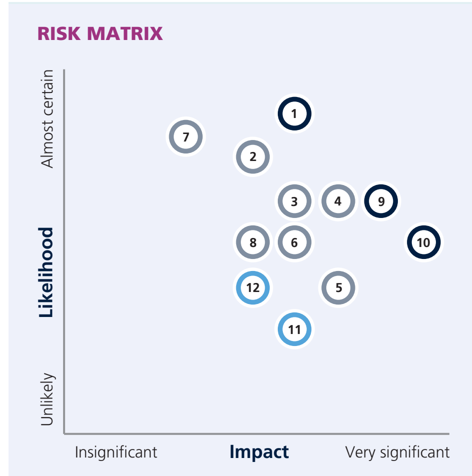
Principal Risks

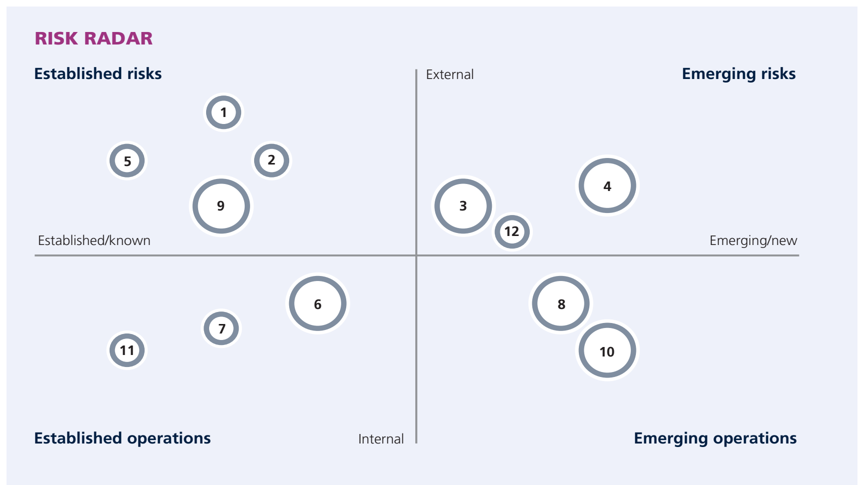
The principal risks and uncertainties the group faces vary across the different businesses and are identified in the group's risk register. Management of significant risk is regularly on the agenda of the board, the risk and audit committees and other senior management meetings.

The group's risk register identifies the principal risks facing the business. The register is put together following a group-wide assessment of risks reported in its business risk registers. Each business risk register considers the likelihood of a risk occurring and both the monetary and reputational impact of the risk crystallising. The risk assessment process also considers risk velocity and the group's appetite for the risk.

The risk committee has completed a robust and detailed assessment of both the group's risk management processes and the group risk register and has considered the impact of significant risks to the group in the context of providing the company's viability statement. Further details of the group's risk management processes, the governance structure for risk and the risk committee can be found in the Corporate Governance Report.

The group uses a number of tools to analyse its risks and facilitate discussions at the board, executive committee and risk committee. The risk matrix below shows the relative impact and likelihood of the group's principal risks. The group also considers the extent to which each risk arises from external or internal factors, and whether each risk is established and understood or is an emerging risk and therefore less understood. The risk radar below maps the group's principal risks using this criteria, and uses data point size to illustrate risk direction with increasing risk indicated by the larger data points.





Euromoney registers its risks based on a residual risk rating after taking account of mitigating controls.

1. Downturn in economy or market sector
2. Travel risk
3. Compliance with laws and regulations
4. Data integrity, availability and cyber security
5. Hazard risk affecting a significant office
6. Published content risk
7. Securing and retaining key staff
8. Failure of key technology
9. Acquisition and disposal risk
10. Failure of product strategy
11. Treasury operations
12. Unforeseen tax liabilities

The group's principal risks and uncertainties are summarised below. The arrows provide a pictorial indication of the change in level of perceived risk compared to last year.

RISK	POTENTIAL IMPACT	MITIGATION	CHANGE
DOWNTURN IN ECONOMY OR MARKET SECTOR The group generates significant income from certain key geographical regions and market sectors.	Economic or political uncertainty in global financial markets increases the risk of a downturn or potential collapse in one or more areas of the business. If this occurs income is likely to be adversely affected and for events businesses some abandonment costs may also be incurred.	The group has a diverse product mix and operates in many geographical locations. This reduces dependency on any one sector or region. Management has the ability to cut costs quickly if required or to switch the group's focus to new or unaffected markets for instance, through development of new vertical markets or transferring events to better performing regions.	⇔
TRAVEL RISK The conference, seminar and training businesses account for approximately a third of the group's revenues and profits. The success of these events and courses relies heavily on the confidence in and ability of delegates and speakers to travel internationally.	Significant disruptions to or reductions in international travel for any reason could lead to events and courses being postponed or cancelled and could have a significant impact on the group's performance. Past incidents such as transport strikes, extreme weather including hurricanes, terrorist attacks, fears over SARS and swine flu, and natural disasters such as the disruption to airline schedules from volcanic ash in Europe, have all had a negative impact on the group's results, although none materially.	Where possible, contingency plans are in place to minimise the disruption from travel restrictions. Events can be postponed or moved to another location, or increasingly can be attended remotely using online technologies. Cancellation and abandonment insurance is in place for the group's largest events, including Ebola cover for Mining Indaba, the group's largest conference taking place in South Africa in February 2016.	⇔

Principal Risks

continued

RISK	POTENTIAL IMPACT	MITIGATION	CHANGE
COMPLIANCE WITH LAWS AND REGULATIONS Group businesses are subject to legislation and regulation in the jurisdictions in which they operate. The key laws and regulations that may have an impact on the group cover areas such as libel, bribery and corruption, competition, data protection, privacy (including e-privacy), health and safety and employment law. More recently, new financial regulations being introduced as a result of the financial crisis of 2008 have implications for the group's price reporting, benchmark and indices businesses (see published content risk). In September 2015 the group acquired 9.9% interest in Zanbato Inc, an international private capital placements platform and workflow tools provider. A new business has been created to bring together the technology of Zanbato and the market reach of Institutional Investor's Investor Intelligence Network (IIN) to serve the institutional segment of the private placements market. This has increased legal and regulatory compliance risk for the group.	A breach of legislation or regulations could have a significant impact on the group in terms of additional costs, management time and reputational damage. In recent years, responsibilities for managing data protection have increased significantly. The emergence of new online technology is leading to further legislation and responsibilities for managing data privacy. Proposed new regulation by the European Union to improve market transparency under which prices, benchmarks and indices are provided, could affect a number of businesses in the group. Failure to comply with laws and regulations in any part of the world could result in significant financial penalties and reputational damage.	Compliance with laws and regulations is taken seriously throughout the group. A Code of Conduct (and supporting policies) sets out appropriate standards of business behaviour and highlights the key legal and regulatory issues affecting group businesses. Divisional and local management are responsible for compliance with applicable local laws and regulations, overseen by the executive committee and the board and supported by internal audit. The company's speak-up policy sets out the duty for all employees to report improper activity or suspicions of improper activity. If employees feel they cannot raise a matter directly, it can be reported anonymously using an independent whistle-blowing hotline. A compliance framework for price reporting, benchmark and indices businesses has been implemented, formalising standards of conduct, procedural guidance and staff training. Ethics audits have been conducted to support the framework. The group has strict policies and controls in place for the management of data protection and privacy. These are supported by new computer-based training (CBT) rolled out worldwide in 2015. The group has website technology to reinforce online legal and regulatory compliance. The group has compliance staff in place where relevant and appointed a senior compliance manager in its IIN/Zanbato business during the year. A new online compliance handbook is being provided to all managers in all offices this year, to support governance and further mitigate compliance risk.	

RISK	POTENTIAL IMPACT	MITIGATION	CHANGE
DATA INTEGRITY, AVAILABILITY AND CYBER SECURITY The group uses large quantities of data including customer, employee and commercial data in the ordinary course of its business. The group also publishes large quantities of data (see published content risk). The integrity, availability and security of this data are key to the success of the group. Information risk has increased as a result of the growing number of cyber-attacks affecting organisations globally, the group's greater dependency on technology and the increasing threats from cyber-crime.	Any challenge to the integrity or availability of information that the group relies upon could result in operational and regulatory challenges, costs to the group, reputational damage and the permanent loss of revenue. This risk has increased as the threat of cyber-attack has become more significant. A successful cyber-attack could cause considerable disruption to business operations. The wider use of social media has also increased information risk as negative comments made about the group's products can now spread more easily and more quickly. Although technological innovations in mobile working, the introduction of cloud-based technologies and the growing use of social media present opportunities for the group, they also introduce new information security risks that need to be managed carefully.	The group has comprehensive information security standards and policies in place which are reviewed on a regular basis. Access to key systems and data is restricted, monitored, and logged with auditable data trails. Restrictions are in place to prevent unauthorised data downloads. The group is subject to regular internal information security audits, supplemented by expert external resource. The group continues to invest in appropriate cyber defences including implementation of intrusion detection systems to mitigate the risk of unauthorised access. The group's information security group meets regularly to consider and address cyber risks. Comprehensive backup plans for IT infrastructure and business data are in place to protect the businesses from unnecessary disruption. Information providers are facing increasingly sophisticated cyber-attacks. The controls to prevent an information security breach require constant review and assessment across the company. The company has an active information security programme in place to mitigate cyber risk effectively. The group's professional indemnity insurance provides cover for cyber risks including cyber-attack and data breach incidents.	
HAZARD RISK AFFECTING A SIGNIFICANT OFFICE The group's main offices are in London, New York, Montreal, Hong Kong and Sofia. A significant incident affecting these cities could lead to disruption to group operations.	An incident affecting one or more of the key offices could disrupt the ordinary operations of the businesses at these locations; a region-wide disaster affecting all offices could have worse implications with serious management and communication challenges for the group and a potential adverse effect on results. The risk of office space becoming unusable for a prolonged period and a lack of suitable alternative accommodation in the affected area could also cause significant disruption to the business and interfere with delivery of products and services. Incidents affecting key clients or staff in these regions could also give rise to the risk of not achieving forecast results.	Business continuity plans are in place for all businesses. These plans are refreshed annually and a programme is in place for testing them. If required, employees can work remotely. The group has robust, high-availability IT systems with key locations (including the UK, US, Canada and Asia) benefiting from offsite data backups, failover technology and third-party 24-hour support contracts for key applications. The group's business continuity planning helped its New York office to recover quickly and effectively from the significant disruption caused by Hurricane Sandy in 2012, and more recently maintain operations in its Bangkok office during the Thai political crisis last year.	

Principal Risks

continued

RISK	POTENTIAL IMPACT	MITIGATION	CHANGE
PUBLISHED CONTENT RISK The group generates a significant amount of its revenue from publishing information and data online or in its magazines and journals. As a result, there is an inherent risk of error which, in some instances, may give rise to claims for libel. The rapid development of social media has increased this risk. The transition to online publishing means content is being distributed far quicker and more widely than ever before. This has introduced new challenges for securing and delivering content and effective management of content rights and royalties. The business also publishes databases and data services with a particular focus on high-value proprietary data. There is the potential for errors in data collection, data processing and/or poor quality research. The group publishes industry pricing benchmarks for the metals markets and more than 1,000 equity and bond indices. The group also runs more than 100 reader polls and awards each year.	A successful libel claim could damage the group's reputation. The rise in use of social media, and in particular tweeting and blogging, has increased this risk. Damage to the reputation of the group arising from libel could lead to a loss of revenue, including income from advertising. In addition, there could be costs incurred in defending a claim. The failure to manage content redistribution rights and royalty agreements could lead to overpayment of royalties, loss of intellectual property and additional liabilities for redistribution of content. The integrity of the group's published data is critical to the success of the group's database, research and data services. The group also publishes extensive pricing information and indices for the global metals industries and financial markets. Errors in published data, price assessments or indices, or a perceived reduction in the quality of the group's research could affect the reputation of the group leading to fewer subscribers and lower revenues. Any challenge to the integrity of polls and awards could damage the reputation of the product and by association the rest of the group, resulting in legal costs and a permanent loss of revenue.	The group runs mandatory annual libel courses for all journalists and editors. Controls are in place, including legal review, to approve content that may carry a libel risk. Editorial controls are also in place for social media and this activity is monitored carefully. The group's policy is to own its content and manage redistribution rights tightly. Royalty and redistribution agreements are in place to mitigate risks arising from online publishing. Tight controls have been implemented for the verification, cleaning and processing of data used in its database, research and data services. Processes and methodologies for assessing metals and other commodity prices and calculating indices are clearly defined and documented. All employees involved with publishing pricing information or indices receive relevant training. Robust contractual disclaimers are in place for all businesses that publish pricing data, benchmarks and indices. Polls and awards are regularly audited and a firewall is in place between the commercial arm of the business and the editors. Key staff are aware of the significant risks associated with publishing content and strong internal controls are in place for reporting to senior management if a potential issue arises. These are documented in a publishing risk handbook provided to all journalists. The group also has libel insurance and professional indemnity cover.	
SECURING AND RETAINING KEY STAFF The group is reliant on key management and staff across all of its businesses. Many products are dependent on specialist and/or technical expertise.	The inability to recruit and retain talented people could affect the group's ability to maintain its performance and deliver growth. When key staff leave or retire, there is a risk that knowledge or competitive advantage is lost.	Long-term incentive plans are in place for key staff to encourage retention. The directors remain committed to the recruitment and retention of high-quality management and talent, and provide a programme of career opportunity and progression for employees including extensive training and international transfer opportunities. Succession planning is in place for senior management.	

RISK	POTENTIAL IMPACT	MITIGATION	CHANGE
FAILURE OF KEY TECHNOLOGY The company has invested significantly in back-office and publishing technologies to support the transition of the business from print to online publishing. The proprietary data businesses rely on specialised information systems to deliver high-value benchmark, index and price data to its clients. The company's event businesses are dependent on delegate registration technologies. The company's back-office technology provides customer and product management, digital rights management, e-commerce and performance and activity reporting. The platform supports a large share of the group's online requirements including key activities for publishing, events and data businesses. Central content management technologies are used to publish most of the company's online content and data. The company's research and data businesses rely on bespoke databases and algorithms to provide its clients with investment research, commodity pricing, macroeconomic analysis, benchmarks and indices. The company runs at least 400 events annually, many taking place in emerging market countries. The successful running of the events depends on high-quality registration and networking technology. The group's technology is critical to the successful functioning of all its businesses and hence carries a significant amount of risk. The group considers that this risk has increased because the group's reliance on key technologies has increased.	A failure of the back-office technology may affect the performance, data integrity or availability of the group's products and services. Any extensive failure is likely to affect a large number of businesses and customers, and lead directly to a loss of revenues. Online customers are accessing the group's digital content in an increasing number of ways, including using websites, apps and e-books. The group relies on effective digital rights management technology to provide flexible and secure access to its content. An inability to provide flexible access rights to the group's content could lead to products being less competitive or allow unauthorised access to content, reducing subscription revenues as a result. The company has many online businesses that rely on central content management technology to meet its publishing deadlines and commitments. Any interruption to publishing and updating content risks serious reputational damage to products and declining revenue. Approximately a third of the group's revenues derive from its research and data products. Technology failures affecting the quality and delivery of these products could put this revenue at risk. A failure of the company's event systems could cause significant disruption to the running of any of its events leading to loss of revenue. The group's reliance on key suppliers, particularly IT suppliers, has increased. An operational or financial failure of a key supplier could affect the group's ability to deliver products, services or events which could have a direct impact on management time and financial results. A failure of any one of its key technologies or a poor strategic investment in an inappropriate technology could have a significant impact on the company's reputation and results.	The group continues to invest significantly in its central back-office, publishing and research and data technologies. The platforms are planned, managed and run by dedicated, skilled teams with progress and performance closely monitored by the executive committee and the board. The group has digital rights management technology to ensure its content is adequately secured and changing customer requirements for accessing the group's products and services are met. Operational and financial due diligence is undertaken for all key suppliers as part of a formal risk assessment process. Contingency planning is carried out to mitigate risk from supplier failure. The group has made a substantial investment in e-commerce technology and hosting infrastructure to ensure the back-office platform continues to perform effectively.	

Principal Risks

continued

RISK	POTENTIAL IMPACT	MITIGATION	CHANGE
ACQUISITION AND DISPOSAL RISK As well as launching and building new businesses, the group continues to make strategic acquisitions where opportunities exist. The management team reviews a number of potential acquisitions each year with only a small proportion of these going through to the due diligence stage and possible subsequent purchase. The group also disposes of businesses that no longer fit the group's strategy. The group has impaired a number of its investments during the year, due to challenging market conditions, and therefore considers this acquisition and disposal risk as increasing.	There is a risk that an acquisition opportunity could be missed. The group could also suffer an impairment loss if an acquired business does not generate the expected returns or fails to grow. Additionally, there is a risk that a newly acquired business is not integrated into the group successfully or that the expected risks of a newly acquired entity are misunderstood. As a consequence a significant amount of management time could be diverted from other operational matters. The group is also subject to disposal risk, possibly failing to achieve optimal value from disposed businesses, failing to identify the time at which businesses should be sold or underestimating the impact on the remaining group from such a disposal.	Senior management perform detailed in-house due diligence on all prospective acquisitions and call on expert external advisors where necessary. Acquisition agreements are usually structured to retain key employees in the acquired company and there is close monitoring of performance at board level post-acquisition. The board regularly reviews the group's existing portfolio of businesses to identify under-performing businesses or businesses that no longer fit with the group's strategy and puts in place divestment plans accordingly.	
FAILURE OF PRODUCT STRATEGY The growth of tablets and other mobile devices and the proliferation of social media are changing how customers access and use the group's products and services. The group has established a strategy to meet the many challenges of migrating the publishing businesses from traditional print media to online and to ensure the non-publishing businesses take advantage of new technology when advantageous to do so. This strategy has been pursued for a number of years. The group considers that this risk has increased because of the increased reliance on technology for new product development.	The group's online strategy addresses a number of challenges arising from the group's transition from print media to an online business and changing customer behaviour. Competition has increased, with free content becoming more available on the Internet and new competitors benefiting from lower barriers to entry. A failure to manage pricing effectively or successfully differentiate the group's products and services could negatively affect business results. The customer environment is changing fast with an increasing number spending more time using the Internet. Print circulation is declining and a failure to convert customers from print risks a permanent loss of customers. Further changes in technology including the widespread use of tablets and other mobile devices and social media are changing customer behaviour and introducing new challenges. A failure in the group's online strategy to meet these challenges could result in a permanent loss of revenue.	The group is embracing these challenges and overall sees the Internet and other technological advances as an opportunity, not a threat. Significant investment in the group's online strategy has already been made and will continue for as long as necessary. New content management technology is being implemented across the group to enable more effective publishing to web, print and the rapidly increasing number of mobile platforms coming onto the market. Many of the group's businesses already produce soft copies of publications to supplement the hard copies as well as provide information and content via apps. The group's acquisition strategy has increased the number of its online information businesses. However, while online revenues are important, the group's product mix reduces dependency on online income. For example, the group generates a third of its profits from its event businesses and face-to-face meetings remain an important part of customers' marketing activities.	

RISK	POTENTIAL IMPACT	MITIGATION	CHANGE
TREASURY OPERATIONS The group treasury function is responsible for executing treasury policy which seeks to manage the group's funding, liquidity and treasury derivatives risks. These include currency exchange rate fluctuations, interest rate risks, counterparty risk and liquidity and debt levels. These risks are described in more detail in note 18 to the group financial statements.	If the treasury policy does not adequately mitigate the group's financial risks or is not correctly executed, it could result in unforeseen derivative losses or higher than expected finance costs. The treasury function undertakes high-value transactions hence there is an inherent risk of payment fraud or error having an adverse impact on group results.	The tax and treasury committee is responsible for reviewing and approving group treasury policies which are executed by the group treasury. Segregation of duties and authorisation limits are in place for all payments made. The treasury function is also subject to regular internal audit.	⟺
UNFORESEEN TAX LIABILITIES The group operates within many tax jurisdictions and earnings are therefore subject to taxation at differing rates across these jurisdictions.	The directors endeavour to manage the tax affairs of the group in an efficient manner; however, due to an ever-more complex international tax environment there will always be a level of uncertainty when provisioning for tax liabilities. There is also a risk of tax laws being amended by authorities in the different jurisdictions in which the group operates which could have an adverse effect on the financial results.	External tax experts and in-house tax specialists, reporting to the tax and treasury committee, work together to review all tax arrangements within the group and keep abreast of changes in global tax legislation.	⟺

VIABILITY STATEMENT

In accordance with provision C.2.2 of the 2014 revision of the Corporate Governance Code, the directors have assessed the viability of the group and have selected a period of three years for the assessment.

The group operates in volatile sectors and geographical markets but has more than half of its revenues based on annual subscriptions with strong renewal rates, has no outstanding debt and few long-term financial obligations. For these reasons the group uses a three-year strategic planning cycle and the directors have determined that three years is also an appropriate period over which to provide its viability statement.

The assessment conducted considered the group's operating profit, revenue, EBITDA, cash flows, dividend cover and other key financial ratios over the three-year period. These metrics were subject to severe downside stress and sensitivity analysis over the assessment period, taking account of the group's current position, the group's experience of managing adverse conditions in the past and the impact of a number of severe yet plausible scenarios, based on the principal risks set out in the Strategic Report. The stress testing considered the principal risks assessed to have the highest probability of occurrence or the severest impact, crystallising both individually and in combination. The assessment modelled a significant downturn in the world economy affecting all three years of the assessment period and a number of successive product and business failures, including the failure of a new acquisition.

In making the assessment, the directors have considered the group's robust capital position, the cash-generative nature of the business, the ability of the company to cut costs quickly, the access to available credit, the absence of pension and M&A liabilities and the group's ability to restrict dividends.

Based on the results of this analysis, the directors confirm that they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the next three years.

Operating Review

OPERATING REVIEW

Trading review

Total revenues decreased by 1% to £403.4m. Underlying revenues, after also adjusting for unfavourable event timing differences, decreased by 2%. A 1% increase in the first half was followed by a 5% decrease in the second, largely due to weakness in the commodities sector.

Trading has remained difficult, particularly in investment banking, where tougher regulation, increased compliance costs and significant fines levied by regulators have led to banks reducing headcount and cutting spend on marketing and information. The commodities sector has also suffered from oversupply, falling prices and lower trading volumes. In contrast, the performance of the group's asset management businesses has remained robust throughout the year, and subscription revenues, particularly for data and research products, have proved resilient. Emerging markets, which account for more than a third of the group's revenues, have proved challenging with increased geopolitical risk and weakening currencies.

Revenues	**2015 £m**	2014 £m	Headline change	Underlying change	Underlying change excluding timing differences
Subscriptions	**210.5**	196.8	7%	2%	2%
Advertising	**48.9**	52.2	(6%)	(11%)	(11%)
Sponsorship	**59.2**	56.6	5%	(4%)	(2%)
Delegates	**70.5**	71.1	(1%)	(12%)	(5%)
Other	**12.1**	13.3	(9%)	(11%)	(11%)
Sold/closed businesses	**1.6**	13.7			
Foreign exchange gains on forward contracts	**0.6**	2.9			
Total revenue	**403.4**	406.6	(1%)	(4%)	(2%)

Growth in underlying subscriptions partly offset the declines experienced in advertising and event revenues. Underlying subscription revenues have been increasing at a steady rate of 2% for the past two years from a combination of new products and a robust asset management sector. After first half growth of 5%, underlying event revenues (excluding event timing differences) declined by 9% in the second half due mainly to weakness in the commodities sector. Most of the group's larger events have performed well, particularly in the specialist finance and wholesale telecoms sectors, but this has been more than offset by the weaker performance from smaller events and training which traditionally struggle more in difficult markets. Underlying advertising revenues continued to decline as a result of the structural and cyclical headwinds which have reduced banks' marketing spend, and more recently due to reductions in spend by energy companies in response to weak oil prices.

The adjusted operating margin fell from 30% to 26% as a result of a number of factors highlighted at the start of the year, including higher property costs, the full year impact of the group's investment in its Delphi content platform, and the impact of the Dealogic transaction. In addition, the adjusted operating margin fell by nearly two percentage points as a result of the high marginal profit on declining advertising and delegate revenues. Permanent headcount has fallen by 23 to 2,168 people since September 30 2014 but like many businesses operating in the digital space the group continues to experience increases in people costs in excess of inflation, particularly in technology, data and research.

Business division review

The research and data division, with its revenues derived predominantly from subscription services, held up well during the year. Financial publishing continued to suffer from the structural and cyclical challenges facing global investment banks, while business publishing, which is less advertising dependent, was more robust. The conferences, seminars and training division had a difficult year after the sharp downturn in energy markets in the second half. This particularly hit the training business which was hit by reductions in training spend both from the energy sector itself as well as from banks in energy-dependent economies, many of them in emerging markets.

Revenues	**2015 £m**	2014 £m	Headline change	Underlying change	Underlying change excluding timing differences	Adjusted operating margin 2015 £m	Adjusted operating margin 2014 £m
Research and data	**125.8**	120.8	4%	0%	0%	35%	37%
Financial publishing	**74.3**	75.8	(2%)	(6%)	(6%)	25%	28%
Business publishing	**70.0**	67.8	3%	0%	0%	35%	34%
Conferences, seminars and training	**131.1**	125.6	4%	(7%)	(2%)	25%	27%
Sold/closed businesses	**1.6**	13.7					
Foreign exchange gains on forward contracts	**0.6**	2.9					
Total revenue	**403.4**	406.6	(1%)	(4%)	(2%)	26%	30%

Research and data: the asset management sector remained robust throughout 2015 and renewal rates at BCA and NDR remained high. However, the group's emerging market information and data products, CEIC and EMIS, which generate a significant proportion of their revenues from local emerging markets as well as the banking sector, fared less well. As a result, underlying revenues for the division were flat. The adjusted operating margin fell two percentage points to 35% due to amortisation at BCA for its new Delphi content platform, investment at CEIC in content automation, and new product and sales investment at EMIS.

Financial publishing: underlying revenues decreased by 6% reflecting continued weakness in the group's financial titles and their dependence on bank advertising. In contrast, subscription revenues for the division increased, including strong growth from Insider Publishing, the insurance information business acquired in 2013, and Euromoney TRADEdata, the group's derivative data business. The adjusted operating margin fell three percentage points to 25% reflecting amortisation for *GlobalCapital's* Delphi content platform, and increased technology spend, particularly for HedgeFund Intelligence.

Business publishing: underlying revenues were flat despite a strong performance from the wholesale telecoms business, TelCap, which was offset by the challenging energy markets faced by Gulf Publishing. Despite tougher metals markets, Metal Bulletin's revenues held up well. The adjusted operating margin improved from 34% to 35% attributable to the strong performance of TelCap and an improving margin for Metal Bulletin following a period of investment in its steel information service and pricing database.

Conferences, seminars and training: the 7% decrease in underlying revenues is primarily attributable to the difficult market conditions faced by the group's commodities-related events, including metals and coal, particularly during the second half. Even after adjusting for some unfavourable events timing, this commodities weakness more than offset the strength of Institutional Investor's subscription-based memberships for the asset management industry which continued to grow at double digit rates. The adjusted operating margin dropped two percentage points to 25% reflecting the high margin flow-through from lower delegate revenues, and investment in e-learning products for Euromoney's training division. The increase in headline event revenues reflects the acquisition of Mining Indaba in July 2014, which achieved revenues of more than £9m the first time it was run under Euromoney ownership in February 2015.

Currency

The group generates approximately two thirds of both its revenues, including approximately a third of its UK revenues, and profit before tax in US dollars. The exposure to US dollar revenues in its UK businesses is hedged using forward contracts to sell US dollars, which delays the impact of movements in exchange rates for at least a year. However, the group does not hedge the foreign exchange risk on the translation of overseas profits. While it endeavours to match foreign currency borrowings with investments, as debt levels have fallen the related foreign currency finance cost has been of only limited benefit as a hedge against the translation of overseas profits.

The strength of the US dollar has had a favourable impact on the translation of overseas profits. The average sterling-US dollar rate for the year to September 30 was $1.55 (2014: $1.66). This improved headline revenue growth rates for the year by approximately three percentage points and adjusted profit before tax by approximately £7m. Each one cent movement in the US dollar rate has an impact on profits on translation of approximately £0.6m on an annualised basis.

Acquisitions and disposals

Acquisitions remain an important part of the group's growth strategy. In particular the board believes that acquisitions are valuable for taking the group into new sectors, for bringing new technologies into the group and for increasing the group's revenues and profits by buying into rapidly growing niche businesses. The group continues to look for strategic acquisitions which will fit well with its existing businesses. Equally, where businesses no longer fit, the group divests.

During 2015, the group made three minority investments in financial technology companies: a 15.5% equity stake in Dealogic in December 2014, a 10% equity stake in Estimize in July 2015 and a 9.9% interest in Zanbato in September 2015. The group disposed of its interests in two businesses (Capital DATA and Capital NET) to Dealogic and four Institutional Investor newsletter publications. All three investments were consistent with the group's strategy of expanding its digital offering into workflow and Software-as-a-Service (SaaS) solutions for the global investment banking and asset management sectors. Details of all investments, acquisitions and disposals are set out in notes 13 and 14 to the group financial statements.

Operating Review

continued

INVESTMENT	DESCRIPTION	EQUITY STAKE	TOTAL CONSIDERATION	DATE ACQUIRED
dealogic	Leading provider of an SaaS platform for the global capital markets industry.	15.5%	£37.8m	December 18 2014
estimize	Leading provider of a crowdsourcing platform for corporate earnings forecasts.	10%	£2.3m	July 14 2015
Zanbato	Leading international private capital placements platform and workflow tools provider.	9.9%	£3.5m	September 29 2015

Dealogic Transaction

Euromoney acquired a 15.5% equity interest, and 20% of the voting rights, in Dealogic in December 2014. This investment was funded through the sale to Dealogic of Euromoney's interests in two businesses, Capital DATA and Capital NET, which Dealogic and Euromoney had operated since the 1980s. The transaction valued Euromoney's participation in these two businesses at $85m, for which Euromoney received equity in Dealogic valued at $59m, cash of $5m, and preference shares of $21m which are redeemable in December 2015. The transaction generated a gain on sale of £48m which has been included in exceptional items.

For the year to September 30 2014, Euromoney's subscription revenues and adjusted operating profits included licence fees of £5.4m from its investment in Capital DATA. For the same period, Euromoney recognised a profit after tax of £0.3m from its 48.4% associate interest in Capital NET. In financial year 2015, for the three months prior to the transaction, Euromoney recognised subscription revenues of £1.2m from Capital DATA and a profit after tax of £0.1m from Capital NET. For the nine months subsequent to the transaction, Euromoney recognised an adjusted share of profit in associates of £2.4m from Dealogic. As well as reducing the group's adjusted operating margin by one percentage point, the transaction diluted Euromoney's 2015 adjusted after-tax earnings by approximately 2%.

However, with its strong brand and global use among investment banks, Dealogic offers Euromoney attractive strategic potential. The Dealogic transaction has significant potential long-term financial upside but, as highlighted at the time of the transaction, in the short-term the loss of earnings from the Capital DATA and Capital NET arrangements have more than offset the group's share of profits from the Dealogic associate interest.

Systems and information technology

Technology remains at the heart of the group's business with significant investment throughout the year in the people, products, process, tools and infrastructure to support the group's digital and events-based businesses. It has enabled innovative new product development as well as driven cost efficiencies throughout the value chain.

Project Delphi came to a close at the end of the financial year with new products now live at BCA, Global Capital, Capacity Intelligence and HedgeFund Intelligence as well as a new corporate website. Agile and lean principles have been successfully assimilated into the working culture alongside key technical capabilities in search, authoring, analytics, data management and continuous integration. Over 75 digital projects have been successfully delivered across the group by a function that now accounts for nearly 10% of the group's total workforce.

The migration to the new consolidated office premises and flexible working model in London was successfully enabled by the operations and service delivery teams and tools are now in place to support an increasingly mobile workforce. An example of this was the project to migrate the Institutional Investor Memberships division from a legacy CRM to Salesforce that went live on time and budget during the summer.

Talent attraction and development remain a key capability. The group has an active graduate programme linked to a number of universities in both the UK and US, supported by a Hackathon at Google.

Marketing and digital development

The group continues to invest in digital development, especially customer engagement and product innovation.

The group's digital success is reflected in its engagement metrics with now more than 100 businesses active on social media. The group's social media connections have increased 38% year on year, and the group has more than 700,000 members across major social platforms, such as LinkedIn and Twitter. The group has also developed a more integrated approach to content marketing in both publishing and events businesses. This combines multi-media and agenda-led content with speaker, sponsor and attendee interaction throughout the year.

The company has accelerated the roll-out of new subscription-based digital products: BCA Research launched BCA Analytics and BCA Edge using the new Delphi digital platform; TelCap launched Capacity Intelligence, an online database providing proprietary information on telecoms companies, M&A activity and partnership data; HedgeFund Intelligence recently relaunched its platform, which includes the world's most sophisticated relationship database of hedge fund performance; CEIC launched an online China Discovery product that provides actionable insights on China's markets; EMIS launched a Thought Leadership product which creates thought-provoking content for global business leaders; Metal Bulletin launched Copper Price Briefing to provide crucial information for the copper market; and Trade Finance relaunched its product to provide customers with an improved database and customer experience. The group continues to invest in product training by offering best practice tools and techniques to individual businesses and participating in intra-company product management workshops run by DMGT.

Increasingly, customers want to access and pay for the group's products and services in different ways. The group has started to build new digital billing and subscription management capabilities to replace existing legacy technology and processes. The goals are: to remove friction in a customer journey from registering for a trial and logging-in to buying, renewing and upgrading subscriptions; to improve the efficiency and manual processes for nurturing of sales leads; and, to standardise and automate sales and business reporting. This will increase flexibility to test new products, prices and bundles in order to add more value for customers.

The group continues to invest in EDEN, the group's marketing database, which has in excess of two million active names. The customer insight team provides more in-depth analysis of customer usage behaviour, renewal cycles, web usage, demographics, helping to identify opportunities for cross-selling and new customer opportunities.

Headcount

The number of people employed is monitored monthly to ensure there are sufficient resources to meet the forthcoming demands of each business and to make sure that the businesses continue to deliver sustainable profits. During 2015 the directors have focused on maintaining headcount at a similar level to that in 2014, hiring new heads only where it was considered essential or for investment purposes. Headcount has fallen by 23 since September 2014 to 2,168, mainly attributable to 23 leavers from the disposal of the four Institutional Investor newsletter publications and closure of Euromoney Yearbooks.

BCA Research

BCA Research has continued to innovate its product offerings both in terms of content and digital solutions and launched during the year:

BCA Edge enables users quickly to discover and integrate research content into their investment workflows. It is an investment research platform that leverages the Delphi technology stack to semantically deconstruct BCA's research and analysis and overlays this with a set of client-requested tools and applications.

BCA Indicators module is the first data product to integrate BCA's market-leading proprietary indicators into client models and systems.

BCA Research is working with Estimize to build a set of innovative features and products that deliver insights and predictions on individual company earnings and revenue and economic indicators.

Financial Review

FINANCIAL REVIEW

The 7% fall in adjusted profit before tax to £107.8m compares to a 13% drop in adjusted operating profit. This partly reflects a £2.5m credit (2014: £2.4m expense) following the first half decision to reverse last year's CAP expense on the grounds that management believe it is unlikely the minimum performance target under CAP 2014, the group's long-term incentive plan, will be achieved in 2017. In addition, the Dealogic transaction gave rise to an increase of £2.2m in the adjusted share of results in associates.

The 1% decrease in adjusted diluted earnings a share reflects the benefit of a lower underlying tax rate and a reduction in the number of shares in issue following last year's share buy-back. The adjusted effective tax rate for the year was 18% against 22% for 2014 as the group continues to benefit from reductions in the UK corporate tax rate and the tax effects of acquisitions. The tax rate in each year depends mainly on the geographic mix of profits and applicable tax rates.

The statutory profit before tax of £123.3m is higher than the adjusted profit before tax due to a net exceptional credit of £33.4m (see note 3), offset by acquired intangible amortisation of £17.0m. The net exceptional credit mostly arises from profits on assets sold during the year, less goodwill impairment charges including a second half charge of £10.7m for Mining Indaba to reflect the sharp downturn in the commodities sector which is not expected to reverse in the near term. A detailed reconciliation of the group's adjusted and statutory results is set out in the appendix to the Chief Executive's Statement.

Balance sheet

The main movements in the balance sheet were as follows:

	2015 £m	2014 £m	Change £m
Goodwill and other intangible assets	**531.4**	545.4	(14.0)
Property, plant and equipment	**9.2**	16.9	(7.7)
Investments	**38.3**	0.1	38.2
Acquisition commitments and deferred consideration	**(8.6)**	(21.9)	13.3
Deferred income	**(112.1)**	(109.8)	(2.3)
Other non-current assets and liabilities	**(24.0)**	(27.6)	3.6
Other current assets and liabilities	**(7.0)**	(9.0)	2.0
Net assets before net debt	**427.2**	394.1	33.1
Net cash/(debt)	**17.7**	(37.6)	55.3
Net assets	**444.9**	356.5	88.4

In 2015 the net assets increased by £88.4m to £444.9m. The increase in net assets is broadly as a result of the £105.4m group profit offset by dividends of £29m.

The movements are explained below:

- **Goodwill and other intangibles assets** – there were no acquisitions in the year adding to goodwill and acquired intangible assets. The movement includes goodwill impairment of £18.5m for Mining Indaba, HedgeFund Intelligence and Centre for Investor Education (CIE) and amortisation of £19.7m.
- **Property, plant and equipment** – certain freehold and leasehold properties were sold as part of the relocation of the group's London offices reducing net assets by £11.3m. Capital expenditure of £6.5m included £5.2m for the new offices offset by depreciation of £2.6m.
- **Investments** – includes three minority investments in financial technology companies and disposals of Capital DATA and Capital NET (see pages 23 and 24 and note 13)
- **Acquisition commitments and deferred consideration** – the decrease is due to the deferred consideration payment of £11.6m for Insider Publishing and the revision of the group's prior estimate of acquisition commitments and deferred consideration in respect of CIE which has given rise to a release of £5.2m (note 2).
- **Deferred income** – the underlying movement excluding exchange differences fell by £2.6m mainly due to the disposal of the Institutional Investor newsletter publications and the continued pressure on delegate revenues.
- **Other non-current assets and liabilities** – includes the decrease of £2.9m in the pension deficit.
- **Other current assets and liabilities** – includes a debtor of $21.2m (£14m) for preference shares held as part of the disposal of Capital DATA offset by accruals for the rent free periods on the new leases in the London office and movements on the marked to market valuation of short-term derivative contracts.

Net cash/(debt) and cash flow

The main movements in the cash flow were as follows:

	2015 £m	2014 £m	Change £m
Cash generated by operations	**109.5**	110.2	(0.7)
London property move	**10.6**	–	
Capex and other movements	**(3.0)**	(7.3)	4.3
Taxation	**(14.8)**	(22.5)	7.7
Free cash flow	**102.3**	80.4	21.9
Dividends paid	**(29.4)**	(29.0)	(0.4)
Net M&A	**(15.6)**	(55.7)	40.1
Payments to acquire own shares	**–**	(21.5)	21.5
	57.3	(25.8)	83.1
Opening net debt	**(37.6)**	(9.9)	(27.7)
Effect of foreign exchange rate movements	**(2.0)**	(1.9)	(0.1)
Closing net cash/(debt)	**17.7**	(37.6)	55.3

Net cash at September 30 2015 was £17.7m compared with net debt of £10.6m at March 31 and £37.6m at last year end. This balance sheet position reflects the group's strong operating cash flows, as well as net property proceeds of £10.6m following the group's London office move. This was offset by net acquisition and disposal spend of £15.6m including £11.6m for the deferred consideration on the acquisition of Insurance Insider.

The operating cash conversion rate was 105% (2014: 92%). The rate was more than 100% due to the favourable effect of the rent-free period on the new London offices. The rate was less than 100% in 2014 after the vesting of options under CAP 2010 triggered cash outflows of approximately £9m for which the expense was accrued in previous years. After adjusting for these timing differences, the underlying operating cash conversion rate in each year was 101% (2014: 100%).

The group has a US$160m (£106m) dedicated multi-currency borrowing facility from Daily Mail and General Trust plc, the group's parent, which expires in April 2016. The group has no significant outstanding acquisition commitments for 2016 and expects to receive a further $21m in January 2016 from the redemption of preference shares as part of the Dealogic transaction. The need for, and size of, a new borrowing facility will therefore depend on the group's expected borrowing requirements at the time the facility expires, including its acquisition pipeline.

Dividends

The company's policy is to distribute a third of its adjusted after-tax earnings by way of dividends. In line with its policy, the board recommends a final dividend of 16.40p a share (2014: 16.00p), to be paid to shareholders on February 11 2016, giving a total dividend for the year of 23.40p a share (2014: 23.00p).

Treasury

The treasury department does not act as a profit centre, nor does it undertake any speculative trading activity, and it operates within policies and procedures approved by the board.

The group generates approximately two thirds of its revenues in US dollars, including approximately 30% of the revenues in its UK-based businesses, and approximately 60% of its operating profits are US dollar-denominated. The group is therefore exposed to foreign exchange risk on the US dollar revenues in its UK businesses, and on the translation of the results of its US dollar-denominated businesses.

In order to hedge its exposure to US dollar revenues in its UK businesses, a series of forward contracts are put in place to sell forward surplus US dollars. The group hedges 80% of forecast US dollar revenues for the coming 12 months and up to 50% for a further six months. As a result of this hedging strategy, any profit or loss from the strengthening or weakening of the US dollar will largely be delayed until the following financial year and beyond. The group does not hedge the foreign exchange risk on the translation of overseas profits.

Details of the financial instruments used are set out in note 18 to the group financial statements.

Tax

The adjusted effective tax rate based on adjusted profit before tax and excluding deferred tax movements on intangible assets, prior year items and exceptional items is 18% (2014: 22%). The group's reported effective tax rate decreased to 14% compared to 25% in 2014. A reconciliation to the underlying effective rate is set out in note 8 to the group financial statements.

The net deferred tax liability held is £18.4m (2014: £19.1m) and relates primarily to capitalised intangible assets and tax deductible goodwill, net of short-term temporary differences and tax losses. The reduction in the net deferred tax liability related to tax losses arising from the impairment of tax deductible goodwill is partially offset by foreign exchange movements on capitalised intangible assets.

Corporate and Social Responsibility

CORPORATE AND SOCIAL RESPONSIBILITY

The group is diverse and operates through a large number of businesses in many locations. Each business provides important channels of communication to different sections of society. The success of the group's businesses owes much to understanding and engaging with the communities they serve both locally and globally.

Below are some explanations on key areas of corporate responsibility.

People

One of the group's strategic priorities is to retain and foster an entrepreneurial culture. Employees are encouraged to think creatively, be entrepreneurial and innovative, and to deliver organic growth. People are empowered not only to deliver the best for their business, but to give back to the communities in which they live and work.

The group has continued to attract talent through the use of hackathons and communicating its technical ambitions at conferences. However, the market for technology skills has never been hotter and retention has been a challenge in 2015 which will continue into 2016.

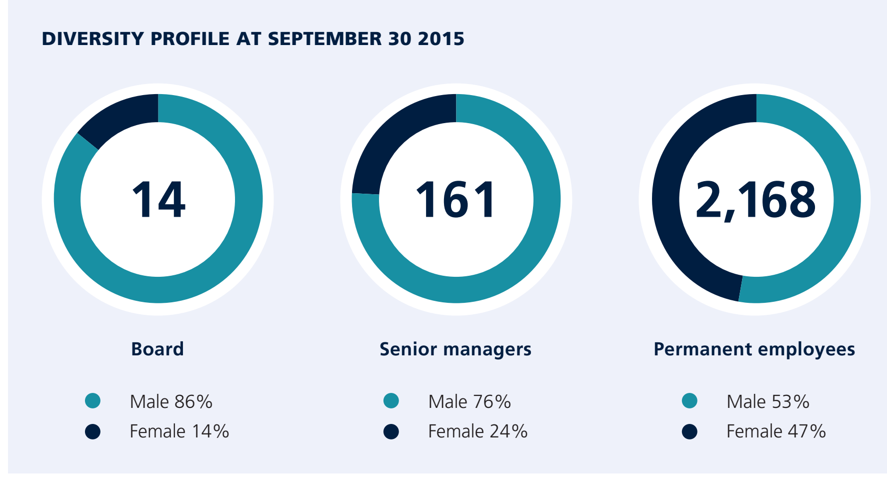
Diversity

The group has strong focus on the world's emerging markets and has customers in more than 200 countries. Delivering excellent quality products to the world's diverse markets demands a diverse workforce. A recent employee survey revealed that over 90 different languages are spoken within the company.

The board believes that diversity is important for board effectiveness. However, diversity is much more than an issue of gender, and includes a diversity of skills, experience, nationality and background. Diversity will continue to be a key consideration when contemplating the composition and refreshing of the board as well as senior and wider management. The board recognises that while the overall balance of gender is good within the group, with 47% of employees being female (2014: 47%), there is still more work to be done to fulfil overall diversity ambitions.

The group is an equal opportunity employer. It seeks to employ a workforce which reflects the diverse community at large, because the contribution of the individual is valued, irrespective of sex, age, marital status, disability, sexual preference or orientation, race, colour, religion, ethnic or national origin. It does not discriminate in recruitment, promotion or other employee matters. The group endeavours to provide a working environment free from unlawful discrimination, victimisation or harassment.

Further details on employees are set out in the Directors' Report.



Training and development

The group is committed to developing teams and individuals to achieve excellent results. Training and development are the responsibility of each operating business. The group has an advantage when it comes to training and development because it has its own highly accredited training business, Euromoney Learning Solutions, and as a result a comprehensive range of training programmes which are available as part of an employee's personal development. The group supplements these with key initiatives, an implicit objective of which is to build internal networks and to foster peer assistance and collaboration, including taking part in DMGT group-wide initiatives. Examples of these are:

- Management Development Programme (MDP): this is a three-day intensive workshop focusing on innovation and launching new businesses, followed by three months of group work to develop new business ideas, which are then presented to a judging panel chaired by the managing director.
- Hackathon: the group ran its second hack event, TechSprint, in October in its search for the next generation of top tech talent. 30 recent graduates from across the UK were placed in teams of five, and tasked to solve and build solutions to real-life business problems. Each team researched, designed, coded and then presented a variety of tech products to a panel of judges. The group sees this kind of event as evidence of its commitment to innovation and investment in technology, and also an invaluable source of graduate talent.

- Graduate Programme: graduate trainee journalists join the group on a six-month training programme. The scheme combines on-the-job training with classroom-based learning to equip participants for a career in financial and business journalism. The technology graduate training programme recruits skilled graduates for roles including developer, business analyst and quality assurance tester. Graduates are supported by a team of mentors and gain hands-on experience working on projects across the group alongside divisional heads of technology and project managers.
- DMGT's Leadership Development Programme (LDP): this is a comprehensive programme consisting of two week-long modules with a six-month period in between. The programme allows the sharing of insights in leadership such as markets and competitive landscapes and advances in technology.

Capital Appreciation Plan (CAP)

The CAP, the group's long-term incentive scheme designed to retain and reward those who drive the group's profit growth, has been an integral part of its growth strategy since it was first introduced in 2004. The minimum performance target under the CAP is unlikely to be achieved given the continuing tough trading conditions with the result that the CAP costs were not amortised in 2015 and the costs recognised in 2014 were reversed in the current year resulting in a credit of £2.5m to the Income Statement. Further details are set out in the Directors' Remuneration Report.

Environment

The group does not operate directly in industries where there is the potential for serious industrial pollution. It does not print products in-house or have any investments in printing works. It takes its environmental responsibility seriously and complies with all relevant environmental laws and regulations in each country in which it operates. Wherever economically feasible, account is taken of environmental issues when placing contracts with suppliers of goods and services and these suppliers are regularly reviewed and monitored. For instance, the group's two biggest print contracts are outsourced to companies which have environment management systems compliant with the ISO 14001 standard. The paper used for the group's publications is produced from pulp obtained from sustainable forests, manufactured under strict, monitored and accountable environmental standards.

The group is not a heavy user of energy; however, it does manage its energy requirements sensibly using low-energy office equipment where possible and uses a common sense approach to office energy management.

Each office within the group is encouraged to reduce waste, reuse paper and only print documents and emails where necessary. The main offices across the group also recycle waste where possible.

The directors are committed to reducing the group's absolute carbon emissions and managing its carbon footprint. In 2012 the company, as part of the wider DMGT group, set a target to reduce its carbon footprint relative to revenue over a three year period by 10%. The company exceeded this target, with a total reduction in emissions intensity over the three-year period of 12%. Further details of the carbon footprint are set out in the Directors' Report.

Social investment

The group continues to expand its charitable activities and raised over £0.5m for local and international charitable causes during the year. These contributions came from its own charitable budget, individual employee fundraising efforts and also from clients who generously made donations in support of the company's charitable projects. The group also continues to encourage employees to be involved actively in supporting charities by fundraising themselves which it then matches. Further details can be found on the company's website, www.euromoneyplc.com/corporate-social-responsibility.

The group works and partners with recognised charitable organisations that have expertise within certain sectors, thus ensuring that the implementation and management of a charitable project is carried out efficiently and that donated funds reach the communities at which the charitable cause is aimed. At the same time, the charity committee is careful to address the sustainability aspects of each charitable project to ensure a long-lasting beneficial impact.

The group also tries to adopt a company-wide charity and support it for a year or more. The last such charity was Action Against Cancer for which Euromoney raised over £1m in 2013. In 2015 the group went through a selection process to find a new charity to support for the next 12 to 18 months. Employees were requested to nominate charities and from 40 nominations the executive committee compiled a final shortlist of three. After due diligence of the charities and a final vote from employees the decision was made to support both Afghan Connection, a charity with over 10 years' experience successfully funding education and sports projects in Afghanistan, and Haven House, an independent charity supporting over 300 families in the UK with children who have life-limiting or life-threatening conditions. The plan for the fundraising efforts is underway to capture the enthusiasm that employees have shown for both charities. Further details about these charities can be found on the company's website.

Corporate and Social Responsibility

continued

Euromoney climbs Kilimanjaro for Haller

In June 2015, a party of sixteen from Euromoney climbed the summit of Kilimanjaro, raising more than £60,000 for the Haller Foundation, one of the company's supported charities.

At 5,895m high, Kilimanjaro is the highest peak in Africa and the world's highest free standing mountain. The Euromoney team followed the Machame route, renowned to be the most difficult route to the top. After four days of hiking and a seven-hour night time ascent, the team reached the Uhuru Peak on June 15 at 7:15am. Every employee made the summit.

The climb brought to a close a year of busy fundraising activities, including cake sales, office breakfast deliveries, garden fete, a quiz night, an online auction and golf day.

The funds raised from the climb will allow Haller to roll out its sustainable development model to another community, the Upendo Nguu Tatu Community which will benefit from improved water infrastructure, healthcare and education through a mobile app. The community will benefit from more than two years of active development from the funds raised by the climbers.

The Haller Foundation's remarkable development model has been helping to build sustainable community economies in some of the poorest parts of Kenya since the 1970s (www.haller.org).

FTSE4Good

FTSE Group confirms that Euromoney Institutional Investor PLC has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. FTSE4Good is an equity index series designed to facilitate investment in companies that meet globally recognised corporate responsibility standards. Companies in the FTSE4Good Index Series have met stringent environmental, social and governance criteria, and are positioned to capitalise on the benefits of responsible business practice.

Certain statements made in this document are forward-looking. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standards, the directors do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise. Nothing in this document shall be regarded as a profit forecast.

The Strategic Report has been prepared for the group as a whole and therefore focuses primarily on those matters which are significant to Euromoney Institutional Investor PLC and its subsidiary undertakings when viewed as a whole. It has been prepared solely to provide additional information to shareholders to assess the company's strategy and the potential for that strategy to succeed, and the Strategic Report should not be relied upon by any other party for any other purpose.

On behalf of the board

CHRISTOPHER FORDHAM
Managing Director
December 14 2015

Board of Directors

A RASHBASS‡
Chief executive

Appointed to the board: 2015

Andrew Rashbass was appointed executive chairman on October 1 2015. Following changes to the board on November 18 2015 his role has changed to CEO. He has broad international experience and proven ability to manage top-quality editorial products while also growing digital revenues. Between 2013 and 2015 he was the chief executive of Reuters, the news division of Thomson Reuters, the global business information group. Before joining Reuters, he spent 15 years at The Economist Group, where for the last five years he was chief executive and successfully led its transformation from a traditional print to leading digital business. Before that he was publisher of The Economist.

CHC FORDHAM*^
Executive director

Appointed to the board: 2003

Christopher Fordham joined the company in 2000 and was appointed managing director in 2012. He was previously the director responsible for acquisitions and disposals as well as running some of the company's businesses.

NF OSBORN^
Executive director

Appointed to the board: 1988

Neil Osborn joined the company in 1983. He is the publisher of *Euromoney*.

CR JONES
Finance director

Appointed to the board: 1996

Colin Jones is a chartered accountant. He joined the company in 1996 from Price Waterhouse, and was appointed finance director in November 1996.

DE ALFANO^
Executive director

Appointed to the board: 2000

Diane Alfano joined Institutional Investor LLC in 1984. She is managing director of Institutional Investor's conference division and a director and chairman of Institutional Investor LLC.

JL WILKINSON^
Executive director

Appointed to the board: 2007

Jane Wilkinson joined the company in 2000. She is the group marketing director and managing director of Euromoney Learning Solutions. She was previously CEO of Institutional Investor's publishing activities and president of Institutional Investor LLC.

B AL-REHANY^
Executive director

Appointed to the board: 2009

Bashar AL-Rehany is chief executive officer and a director of BCA Research, Inc. which he joined in 2003. Euromoney acquired BCA Research, Inc. in October 2006.

THE VISCOUNT ROTHERMERE‡
Non-executive director

Appointed to the board: 1998

The Viscount is chairman of Daily Mail and General Trust plc and he brings significant experience of media. He worked at the International Herald Tribune in Paris and the Mirror Group before moving to Northcliffe Newspapers in 1995. In 1997 he became managing director of the Evening Standard.

SIR PATRICK SERGEANT‡
Non-executive director and president

Appointed to the board: 1969

Sir Patrick founded the company in 1969 and was managing director until 1985 when he became chairman. He retired as chairman in September 1992 when he was appointed as president and a non-executive director.

JC BOTTS†‡§
Non-executive director and chairman of the remuneration and nominations committee

Appointed to the board: 1992

John Botts served as interim chairman following the changes to the board on November 18 2015. He is senior adviser of Allen & Company in London and a director of several private companies. He was formerly non-executive chairman of United Business Media plc.

MWH MORGAN†‡
Non-executive director

Appointed to the board: 2008

Martin Morgan was appointed chief executive of Daily Mail and General Trust plc in 2008. He has more than 30 years of experience in the media industry. Prior to joining DMGT he held various senior positions at Reed International both in the UK and US. He joined DMGT in 1989 and became CEO of dmg Information.

DP PRITCHARD†§
Independent non-executive director and chairman of the audit committee

Appointed to the board: 2008

David Pritchard is chairman of AIB Group (UK) plc, and a director of The Motability Tenth Anniversary Trust. He has over 30 years of experience in the banking industry. He was formerly deputy chairman of Lloyds TSB Group, chairman of Cheltenham & Gloucester plc and a director of Scottish Widows Group and LCH. Clearnet Group.

ART BALLINGAL
Independent non-executive director

Appointed to the board: 2012

Andrew Ballingal is chief executive of Ballingal Investment Advisors, an independent investment firm based in Hong Kong. He has over 20 years of experience as an advisor, investor, and partner in hedge funds, much of it in Asia. He has been a member of the Euromoney Institutional Investor PLC Asia Pacific Advisory Board since 2008.

TP HILLGARTH§
Independent non-executive director

Appointed to the board: 2012

Tristan Hillgarth has over 30 years of experience in asset management and has held senior positions at Framlington, Invesco and Jupiter. He is a non-executive director of JPMorgan Overseas Investment Trust PLC.

† Member of the remuneration committee
‡ Member of the nominations committee
§ Member of the audit committee
* Member of the nominations committee through 2015, but resigned from the committee on November 18 2015.
^ Director will not seek re-election as executive director of the company at the AGM on January 28 2016.

Directors' Report

Euromoney Institutional Investor PLC is a public limited company. It holds a premium listing on the London Stock Exchange main market for listed securities and is a member of the FTSE 250 share index.

The Directors' Report comprises pages 32 to 45 of this report (together with the sections of the Annual Report incorporated by reference). Some of the matters required by legislation have been included in the Strategic Report (pages 7 to 30) as the board considers them to be of strategic importance. Specifically, these are future business developments and principal risks.

It is expected that the company, which has no branches, will continue to operate as the holding company of the group.

GROUP RESULTS AND DIVIDENDS

The group profit for the year attributable to equity holders of the parent amounted to £105.4m (2014: £75.3m). The company's policy is to distribute a third of its adjusted after-tax earnings by way of dividends each year. Pursuant to this policy, the directors recommend a final dividend of 16.40p per ordinary share (2014: 16.00p), payable on Thursday February 11 2016 to shareholders on the register on Friday November 27 2015. This, together with the interim dividend of 7.00p per ordinary share (2014: 7.00p) which was declared on May 14 2015 and paid on June 18 2015, brings the total dividend for the year to 23.40p per ordinary share (2014: 23.00p).

SHARE CAPITAL

The company's share capital is divided into ordinary shares of 0.25p each. At September 30 2015 there were 128,248,894 ordinary shares in issue and fully paid. During the year, 115,477 ordinary shares of 0.25p each (2014: 1,676,093 ordinary shares) with an aggregate nominal value of £289 (2014: £4,191) were issued following the exercise of share options granted under the company's share option schemes for a cash consideration of £0.5m (2014: £0.3m). Details of the company's share capital are given in note 22 to the group financial statements. The company's ultimate controlling party is given in note 30.

EMPLOYEE SHARE TRUST

The executive directors of the company together with other employees of the group are potential beneficiaries of the Euromoney Employee Share Trust and as such, are deemed to be interested in any ordinary shares held by the trust. At September 30 2015, the trust's shareholding totalled 1,747,631 shares representing 1.4% of the company's called-up ordinary share capital. No share awards have vested during the year.

VOTING RIGHTS AND RESTRICTIONS ON TRANSFER OF SHARES

Each share entitles its holder to one vote at shareholders' meetings and the right to receive one share of the company's dividends. There are no special control rights attaching to them. The company is not aware of any agreements or control rights between existing shareholders that may result in restrictions on the transfer of securities (shares or loan notes) or on voting rights.

CHANGE OF CONTROL

There are a number of agreements that take effect, alter or terminate upon a change of control of the company following a takeover bid. None of these agreements is deemed to be significant in terms of their potential impact on the business of the group as a whole. The company's share plans contain provisions that take effect in such an event but do not entitle participants to a greater interest in the shares of the company than created by the initial grant or award under the relevant plan. Details of the directors' entitlement to compensation for loss of office following a takeover or contract termination are given in the Directors' Remuneration Report.

AUTHORITY TO PURCHASE AND ALLOT OWN SHARES

At the 2015 AGM, the company was authorised by shareholders to purchase up to 10% of its own shares and to allot shares up to an aggregate nominal amount of £96,100. The resolutions to renew this authority for a further period will be put to shareholders at the 2016 AGM.

SIGNIFICANT SHAREHOLDINGS

As at November 18 2015, the company had been notified of the following significant interests:

Name of holder	Nature of holding	Number of shares	% of voting rights
DMG Charles Limited	Direct	85,838,458	66.93

RELATIONSHIP DEED

The company and Daily Mail and General Trust plc, the parent company of DMG Charles Limited, entered into a relationship deed on July 16 2014 in accordance with the Listing Rules and have acted in accordance with its terms since execution.

EMPLOYEES

Quality and integrity of employees

The competence of people is ensured through high recruitment standards and a commitment to management and business skills training. The group has the advantage of running external training businesses and uses this in-house resource to train cost-effectively its employees on a regular basis. Employees are also encouraged actively to seek external training as necessary.

High-quality and honest personnel are an essential part of the control environment. The high ethical standards expected are communicated by management and through the employee handbook which is provided to all employees. The employee handbook includes specific policies on matters such as the use of the group's information technology resources, data protection policy, the UK Bribery Act, and disciplinary and grievance procedures. The group operates an intranet which is used to communicate with employees and provide guidance and assistance on day-to-day matters facing employees. The group has a specific whistle-blowing policy that is supported by an externally managed whistle-blowing hotline. The whistle-blowing policy is updated regularly and is reviewed by the audit committee.

Human rights and health and safety requirements

The group is committed to the health and safety and the human rights of its employees and communities in which it operates. Health and safety issues are monitored to ensure compliance with all local health and safety regulations. External health and safety advisors are used where appropriate. The UK businesses benefit from a regular assessment of the working environment by experienced assessors and regular training of all existing and new UK employees in health and safety matters.

Disabled employees

It is the group's policy to give full and fair consideration to applications for employment from people who are disabled; to continue, wherever possible, the employment of, and to arrange appropriate training for, employees who become disabled; and to provide opportunities for the career development, training and promotion of disabled employees.

POLITICAL DONATIONS

No political donations were made during the year (2014: £nil).

POST BALANCE SHEET EVENTS

Events arising after September 30 2015 are set out in note 29 to the group financial statements.

GOING CONCERN

Having assessed the principal risks and the other matters discussed in connection with the viability statement, the directors consider it appropriate to adopt the going concern basis of accounting in preparing this Annual Report.

ADDITIONAL DISCLOSURES

Additional information that is relevant to this report, and which is incorporated by reference into this report, including information required in accordance with the UK Companies Act 2006 and Listing Rule 9.8.4R, can be located as follows:

- Financial instruments (note 18)
- Related party transactions (note 28)

GREENHOUSE GAS (GHG) REPORTING

The company, as part of the wider Daily Mail and General Trust plc group (DMGT), participates in a DMGT group-wide carbon footprint analysis completed by ICF International. This exercise has been undertaken every year since 2007 using the widely recognised GHG protocol methodology developed by the World Resource Institute and the World Business Council for Sustainable Development.

The directors are committed to reducing the group's absolute carbon emissions and managing its carbon footprint. In 2012 the company, as part of the wider DMGT group, set a target to reduce its carbon footprint relative to revenue over a three-year period by 10%. The company exceeded this target with a total reduction in emissions intensity over the three-year period of 12%.

GREENHOUSE EMISSION STATEMENT

The following emissions have been calculated according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (revised edition) methodology. Data was gathered to fulfil the requirements under the CRC Energy Efficiency scheme, and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2014. The carbon footprint is expressed in tonnes of carbon dioxide equivalent and includes all the Kyoto Protocol gases that are of relevance to the business. The company's footprint covers emissions from its global operations and the following emission sources: Scope 1 and 2 (as defined by the GHG Protocol), business travel and outsourced delivery activities.

ASSESSMENT PARAMETERS	
Baseline year	2012
Consolidation approach	Operational control
Boundary summary	All entities and facilities either owned or under operational control
Consistency with the financial statements	The only variation is that leased properties, under operational control, are included in scope 1 and 2 data, all scope 3 emissions are off-balance sheet emissions
Assessment methodology	Greenhouse Gas Protocol and Defra environmental reporting guidelines
Intensity ratio	Emissions per £m of revenue

Directors' Report

continued

GREENHOUSE GAS EMISSION SOURCE	2015		2014	
	(tCO_2e)	(tCO_2e)/ £m	(tCO_2e)	(tCO_2e)/ £m
Scope 1: Combustion of fuel and operation of facilities	4,200	10.4	4,500	11.1
Scope 2: Electricity, heat, steam and cooling purchased for own use	2,400	6.0	3,200	7.9
Total scope 1 and 2*	**6,600**	**16.4**	**7,700**	**19.0**
Scope 3: Business travel and outsourced activities	6,900	17.1	8,300	20.4
Total emissions	**13,500**	**33.5**	**16,000**	**39.4**

* Statutory carbon reporting disclosures required by Companies Act 2006

AUDITOR

Each director confirms that, so far as he/she is aware, there is no relevant audit information of which the company's auditor is unaware; and that each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of the information.

A resolution to re-appoint Pricewaterhouse Coopers LLP as the company's statutory auditor and to authorise the audit committee to determine their remuneration will be proposed at the 2016 AGM.

ANNUAL GENERAL MEETING

The company's next AGM will be held at Euromoney Institutional Investor PLC, 8 Bouverie Street, London EC4Y 8AX on January 28 2016 at 9.30 a.m. A separate circular comprising the Notice of Meeting, together with explanatory notes, accompanies this Annual Report.

DIRECTORS

Directors and directors' interests

The membership of the board and biographical details of the directors are given on page 31. On April 9 2015, the group announced the appointment of A Rashbass as executive chairman with effect from October 1 2015. PR Ensor retired as executive chairman on September 30 2015.

Details of the interests of the directors in the ordinary shares of the company and of options held by the directors to subscribe for ordinary shares in the company are set out in the Directors' Remuneration Report on pages 46 to 69.

Appointment and removal of directors

The company's Articles of Association give power to the board to appoint directors from time to time. In addition to the statutory rights of shareholders to remove a director by ordinary resolution, the board may also remove a director where 75% of the board gives written notice to such director. The Articles of Association themselves may be amended by a special resolution of the shareholders.

Following the changes to the board announced on November 19 2015, CHC Fordham, NF Osborn, DE Alfano, JL Wilkinson and B AL-Rehany will not seek re-election as executive directors of the company at the AGM in January 2016.

Following best practice under the 2014 UK Corporate Governance Code (the 'Code') and in accordance with the company's Articles of Association, all directors submit themselves for re-election annually. Accordingly, all directors except those listed above will retire at the forthcoming AGM and, being eligible, will offer themselves for re-election. In addition, in accordance with the Code, before the re-election of a non-executive director, the chairman is required to confirm to shareholders that, following formal performance evaluation, the non-executive directors' performance continues to be effective and demonstrates commitment to the role. Accordingly, the non-executive directors will retire at the forthcoming AGM and, being eligible following a formal performance evaluation by the chairman, offer themselves for re-election.

Directors' indemnities

A qualifying third-party indemnity (QTPI) as permitted by the Company's Articles of Association and Section 232 and 234 of the Companies Act 2006, has been granted by the company to each of the directors of the company. Under the provisions of QTPI the company undertakes to indemnify each director against liability to third parties (excluding criminal and regulatory penalties) and to pay directors' costs as incurred, provided that they are reimbursed to the company if the director is found guilty or, in an action brought by the company, judgement is given against the director.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and Accounts 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 are required to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and the parent company 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 accounts 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 the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed for the group financial statements subject to any material departures disclosed and explained in the financial statements;
- all accounting standards which are considered applicable have been followed in preparing the parent company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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 and Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation. 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.

Having taken advice from the audit committee, the directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. Each of the directors confirms that to the best of their knowledge:

- the financial statements, are prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the parent company and the group taken as a whole; and
- the Strategic Report and the Directors' Report include a fair review of the development and performance of the business and the position of the parent company and the group taken as a whole, together with a description of the principal risks and uncertainties that they face.

On behalf of the board

CHRISTOPHER FORDHAM
Director
December 14 2015

COLIN JONES
Director
December 14 2015

Corporate Governance

The Listing Rules require premium listed companies to report against the Financial Reporting Council's 2014 UK Corporate Governance Code (the 'Code'). The paragraphs below and in the Directors' Remuneration Report on pages 46 to 69 set out how the company has applied the principles laid down by the Code. The company continues substantially to comply with the Code, save for the exceptions disclosed in the Directors' Compliance Statement on page 45.

DIRECTORS

The board and its role

Members and attendance:	Board	Executive committee	Remuneration committee	Nominations committee	Audit committee	Risk committee	Tax and treasury committee
Number of meetings held during year	**7**	**11**	**3**	**4**	**3**	**3**	**2**
Executive directors							
PR Ensor (retired September 30 2015)	7	11	–	4	–	3	2
A Rashbass (appointed October 1 2015)	–	–	–	–	–	–	–
CHC Fordham	7	11	–	4	–	3	1
NF Osborn	7	11	–	–	–	–	–
CR Jones	7	11	–	–	–	3	2
DE Alfano	7	10	–	–	–	–	–
JL Wilkinson	7	11	–	–	–	–	–
B AL-Rehany	7	11	–	–	–	–	–
Non-executive directors							
The Viscount Rothermere	7	–	–	4	–	–	–
Sir Patrick Sergeant	5	–	–	3	–	–	–
JC Botts	6	–	3	4	3	–	–
MWH Morgan	7	–	3	4	–	–	–
DP Pritchard (independent)	6	–	3	–	3	3	2
ART Ballingal (independent)	7	–	–	–	–	–	–
TP Hillgarth (independent)	7	–	–	–	3	–	–

On April 9 2015, the group announced the appointment of A Rashbass as executive chairman with effect from October 1 2015. PR Ensor retired as executive chairman on September 30 2015.

Following the changes to the board announced on November 19 2015 (see page 37), CHC Fordham, NF Osborn, DE Alfano, JL Wilkinson and B AL-Rehany will not seek re-election as executive directors of the company at the AGM on January 28 2016. Accordingly, after the AGM, subject to the re-election of each director and following the recruitment and appointment of a new non-executive chairman, it is expected that the board will comprise two executive directors and eight non-executive directors, four of whom will be independent. Of the four non-executive directors who are not independent, one is the founder and ex-chairman of the company, two are directors of Daily Mail and General Trust plc (DMGT), an intermediate parent company, and one has served on the board for more than the recommended term of nine years under the Code.

The board believes that these changes will allow for more effective management of the group including clearer delineation of responsibilities between the board and the executive management team. It will also bring the company more in line with widely accepted corporate governance practice.

There are clear divisions of responsibility within the board such that no one individual has unfettered powers of decision. There is a procedure for all directors in the furtherance of their duties to take independent professional advice, at the company's expense. They also have access to the advice and services of the company secretary.

The board meets at least every two months and there is frequent contact between meetings. Board meetings take place in London, New York, Montreal and Hong Kong, and occasionally in other locations where the group has operations. The board has delegated certain aspects of the group's affairs to standing committees, each of which operates within defined terms of reference available on the company's website. Set out below are details of the membership and duties of the five principal committees that operated throughout 2015. However, to ensure its overall control of the group's affairs, the board has reserved certain matters to itself for decision. Board meetings are held to set and monitor strategy, identify, evaluate and manage material risks, to review trading performance, ensure adequate funding, examine major acquisition possibilities and approve reports to shareholders. Procedures are established to ensure that appropriate information is communicated to the board in a timely manner to enable it to fulfil its duties.

COMMITTEES

Executive committee

The executive committee meets each month to discuss strategy, results and forecasts, risks, possible acquisitions and disposals, costs, staff numbers, recruitment and training, and other management issues. It also discusses corporate and social responsibility including the group's various charity initiatives. It is not empowered to make decisions except those that can be made by the members in their individual capacities as executives with powers approved by the board of the company. It is chaired by the group chairman and comprises all executive directors and 10 divisional directors. Details and experience of each member can be found on the company's website. The discussions of the committee are summarised by the group chairman and reported to each board meeting, together with recommendations on matters reserved for board decisions.

Nominations committee

The nominations committee is responsible for proposing candidates for appointment to the board having regard to the balance of skills, structure and composition of the board and ensuring the appointees have sufficient time available to devote to the role. During the year the committee comprised PR Ensor (chairman of the committee), CHC Fordham and four non-executive directors, being Sir Patrick Sergeant, The Viscount Rothermere, MWH Morgan and JC Botts. PR Ensor retired on September 30 2015 and A Rashbass was appointed chairman of the committee with effect from October 1 2015.

The committee meets when required and this year met four times, and informal discussions were held at other times during the year. The main purpose of the meetings in 2015 was to recommend a successor to the board for PR Ensor as executive chairman who retired as the company's chairman at the end of financial year 2015. A thorough search process was undertaken by all of the non-executive directors and not limited to the committee. The committee ensured that the appointed executive search agency was independent and had no other connections with the group.

Further meetings were held in October and November 2015 to discuss the restructure of the board, which was proposed and agreed by the board on November 18 2015. The board agreed that:

- the chairman of the board be changed to a non-executive role and that JC Botts be appointed as the non-executive chairman in an interim capacity until such time as the company appoints a permanent independent non-executive chairman;
- A Rashbass's role as executive chairman be changed to the new role of chief executive officer;
- A Rashbass to step down as chairman of the nominations committee and JC Botts to replace A Rashbass as chairman of the nominations committee until an independent non-executive chairman has been appointed;
- CHC Fordham to step down from the nominations committee; and
- the number of executive directors on the board to reduce and accordingly CHC Fordham, NF Osborn, JL Wilkinson, B AL-Rehany and DE Alfano not to seek re-election at the company's next AGM in January 2016.

The nominations committee's main focus for 2016 will be the recruitment and appointment of the new independent non-executive chairman.

The group's gender diversity information is set out in the Strategic Report on page 28.

Remuneration committee

The remuneration committee meets twice a year and additionally as required. It is responsible for determining the contract terms, remuneration and other benefits of executive directors, including performance-related incentives. This committee also recommends and monitors the overall level of remuneration and remuneration for senior management, including group-wide share option schemes. The composition of the committee, details of directors' remuneration and interests in share options and information on directors' service contracts are set out in the Directors' Remuneration Report on pages 46 to 69.

Corporate Governance

continued

Audit committee

The committee is responsible for reviewing and reporting to the board on the group's financial reporting and for maintaining an appropriate relationship with the group's auditor. Details of the members and role of the audit committee are set out on pages 40 and 41.

Risk committee

The risk committee oversees the group's risk management processes and considers the group risk register biannually. It reviews specific risks and monitors developments in relevant legislation and regulation, assessing the impact on the group. The committee reports on its operations to the board to enable the directors to determine the overall effectiveness of the group's internal control and risk management systems. During the year the risk committee was changed from an executive management committee to a board committee, with defined terms of reference which can be found on the company's website. Details of the members and role of the risk committee are set out on page 44.

Tax and treasury committee

The group's tax and treasury committee normally meets twice a year and is responsible for recommending policy to the board. During 2015 the committee members comprised the chairman, managing director and finance director of the company, and the finance director and deputy finance director of DMGT. The chairman of the audit committee is also invited to attend tax and treasury committee meetings. The group's treasury policies are directed to giving greater certainty of future costs and revenues and ensuring that the group has adequate liquidity for working capital and debt capacity for funding acquisitions.

Details of the tax and treasury policies are set out in the Strategic Report on page 27.

NON-EXECUTIVE DIRECTORS

The non-executive directors bring both independent views and the views of the company's major shareholder to the board. The non-executive directors who served during the year were The Viscount Rothermere, Sir Patrick Sergeant, JC Botts, MWH Morgan, DP Pritchard (independent), ART Ballingal (independent) and TP Hillgarth (independent). Their biographies can be found on page 31 of the accounts.

At least once a year the company's chairman meets the non-executive directors without the other executive directors being present. The non-executive directors meet without the company's chairman present at least annually to appraise the chairman's performance and on other occasions as necessary.

The board considers DP Pritchard, ART Ballingal and TP Hillgarth to be independent non-executive directors. JC Botts has been on the board for more than the recommended term of nine years under the Code and the board believes that his length of service enhances his role as a non-executive director. However, due to his length of service, JC Botts is not considered to be independent.

Sir Patrick Sergeant has served on the board in various roles since founding the company in 1969 and has been a non-executive director since 1992. As founder and president of the company, the board believes his insight and external contacts remain invaluable. However, due to his length of service, Sir Patrick Sergeant is not considered to be independent.

The Viscount Rothermere has a significant shareholding in the company through his beneficial holding in DMGT and because of this he is not considered independent.

The Viscount Rothermere and MWH Morgan are also executive directors of DMGT, an intermediate parent company. However, the company is run as a separate, distinct and decentralised subsidiary of DMGT and these directors have no involvement in the day-to-day management of the company. While they bring valuable experience and advice to the company, the board does not believe these non-executive directors are able to exert undue influence on decisions taken by the board, nor does it consider their independence to be impaired by their positions with DMGT. However, their relationship with DMGT means they are not considered to be independent.

BOARD AND COMMITTEE EFFECTIVENESS

Each year the performance of the board and its committees is evaluated. The Code requires an externally facilitated evaluation of the board to be concluded every three years. An external performance evaluation was conducted by a company independent to the group in 2014. The evaluation indicated a highly cohesive board and there were no outlying scores to suggest any significant issues needed to be addressed.

Actions arising from the evaluation included the following:

- More training on regulatory and compliance matters was required. During the year the board received briefings on trade sanctions and the implications of risk-related changes to the Code.
- Completion of embedding the strategy into the board agenda and regular strategic reviews to be carried out. During 2015 the managing director reported an update at each board meeting of the group's strategic priorities and the principal risks. There were two strategy away days including members of the board and executive committee to discuss the opportunities for the company to return to growth.

- Communication between the nominations committee and the board could be improved. During 2015 all the non-executive directors took part in the search for the new executive chairman and attended informal meetings with the members of the nominations committee.
- While many directors felt that risks were well managed and communicated to the board, some non-executive directors suggested that the role of the risk committee could be formalised. During the year the risk committee was changed from an executive management committee to a board committee, with defined terms of reference.

Following his appointment, A Rashbass began a strategic review of all aspects of the company's business including its board structure and, as a result of the initial stage of that review, A Rashbass proposed to the nominations committee that the future management and oversight of the company would be better served through a more traditional board structure, including the appointment of an independent non-executive chairman and the creation of the new role of CEO. See page 37 for the changes agreed by the board.

During the year each of the main committees completed a questionnaire encompassing key areas of their mandates. It was concluded that the board and its committees had been effective throughout the year.

COMMUNICATION WITH SHAREHOLDERS

The company's chairman, together with the board, encourages regular dialogue with shareholders. Meetings with shareholders are held, both in the UK and in the US, to discuss annual and interim results and highlight significant acquisitions or disposals, or at the request of institutional shareholders. Private shareholders are encouraged to participate in the AGM. In line with best practice, all shareholders have at least 20 working days' notice of the AGM at which the executive directors, non-executive directors and committee chairs are available for questioning.

The company's chairman and finance director report to fellow board members matters raised by shareholders and analysts to ensure members of the board develop an understanding of the investors' and potential investors' views of the company.

INTERNAL CONTROL AND RISK MANAGEMENT

The board as a whole is responsible for the oversight of risk, the group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The board has implemented a continuing process for identifying, evaluating and managing the material risks faced by the group.

The directors completed a review of the effectiveness of the group's system of risk management and internal controls covering all material controls, including financial, operational and compliance controls. The majority of controls operated throughout the year, though some additional controls were implemented during the year. The review did not identify any significant weaknesses in the system of internal control and risk management.

Where weaknesses were identified, they were localised and specific to individual businesses and not considered generic or significant at an overall group level. A number of businesses are small and based away from the main hub-offices. As a result, local controls are weaker, but supplemented by central oversight and control giving an overall effective system of risk management and control.

Following the identification of governance and financial irregularities at Centre for Investor Education (CIE) which resulted in an overstatement in profit, the following steps were taken by management. The previous owners were removed from office and their directorships and consultancy contracts were terminated, and a new CEO installed. The business's data, records and systems were successfully isolated and secured and the business was moved to new premises. Management deployed an independent forensic accounting team to complete a comprehensive investigation of the matter. As a result the board was satisfied with the remedial actions taken by management. In October 2015, the group filed a public statement of claim against the previous owners for breaches of warranties and other damages. Management has also considered whether this could arise at any other location within the group and was satisfied that the particular facts and circumstances that gave rise to this issue have not arisen elsewhere.

The controls to prevent an information security breach or cyber-attack are being regularly enhanced to reflect evolving best practice. As a result, these controls vary across the group, with some operating businesses requiring more improvement than others. Addressing these opportunities for improvement has been, and continues be, a focus area for the management team of each business, the risk committee and the main board. Significant progress is expected to be made within the next financial year.

Principal risks and mitigating actions are set out on pages 15 to 21.

Key procedures which the directors have established with a view to providing effective internal control, and which have been in place throughout the year and up to the date of this report, are as follows:

Corporate Governance
continued

The board of directors

- the board normally meets six times a year to consider group strategy, risk management, financial performance, acquisitions, business development and management issues. The board met seven times in 2015;
- the board has overall responsibility for the group and there is a formal schedule of matters specifically reserved for decision by the board;
- each executive director has been given responsibility for specific aspects of the group's affairs;
- the board reviews and assesses the group's principal risks and uncertainties at least annually and has performed a robust assessment of those principal risks as outlined on pages 14 to 21;
- the board seeks assurance that effective control is being maintained through regular reports from business group management, the audit committee and various independent monitoring functions; and
- the board approves the annual forecast after performing a review of key risk factors. Performance is monitored regularly by way of variances and key performance indicators to enable relevant action to be taken and forecasts are updated each quarter. The board considers longer-term financial projections as part of its regular discussions on the group's strategy and funding requirements.

Investment appraisal

The managing director, finance director and business group managers consider proposals for acquisitions and new business investments. Proposals beyond specified limits are put to the board for approval and are subject to due diligence by the group's finance team and, if necessary, independent advisors. For capital expenditure above specified levels, detailed written proposals must be submitted to the board and reviews are carried out to monitor progress against business plan.

Accounting and computer systems controls and procedures

Accounting controls and procedures are regularly reviewed and communicated throughout the group. Particular attention is paid to authorisation levels and segregation of duties. The group's tax, financing and foreign exchange positions are overseen by the tax and treasury committee. Controls and procedures over the security of data and disaster recovery are periodically reviewed and are subject to internal audit.

Internal audit

The group's internal audit function is managed by DMGT's internal audit department, working closely with the company's finance director. Internal audit draws on the services of the group's central finance teams to assist in completing the audit assignments. Internal audit aims to provide an independent assessment as to whether effective systems and controls are in place and being operated to manage significant operating and financial risks. It also aims to support management by providing cost effective recommendations to mitigate risk and control weaknesses identified during the audit process, as well as provide insight into where cost efficiencies and monetary gains might be made by improving the operations of the business. Businesses and central departments are selected for an internal audit on a risk-focused basis, after taking account of the risks identified as part of the risk management process, the risk and materiality of each of the group's businesses, the scope and findings of external audit work, the departments and businesses reviewed previously and the findings from these reviews. This approach ensures that internal audit focus is placed on the higher risk areas of the group, while ensuring an appropriate breadth of audit coverage. DMGT's internal audit function reports its findings to management and to the audit committee.

ACCOUNTABILITY

The board has determined that having separate audit and risk committees, each with specific terms of reference, is required to provide the challenge and review necessary across the range of businesses the group operates. The audit and the risk committees collaborate with one another, as appropriate, with members possessing the requisite skills and experience to allow each committee to meet its obligation and to provide the relevant assurance to the board. This ensures that matters of mutual interest raised in either of the committees are discussed in the other committee and also cascaded down to the operating businesses.

AUDIT COMMITTEE

Committee composition

The audit committee comprises DP Pritchard (chairman, independent), JC Botts, SW Daintith, the finance director of DMGT, and TP Hillgarth (independent). Three of the four members are non-executive directors. All members of the committee have a high level of financial literacy, SW Daintith and TP Hillgarth are chartered accountants and members of the ICAEW, and DP Pritchard has considerable audit committee experience.

Responsibilities

The committee meets at least three times each financial year and is responsible for:

- monitoring the integrity of the interim report, the annual report and accounts and other related formal statements, reviewing accounting policies used and judgements applied;
- reviewing the content of the Annual Report and Accounts and advising the board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy;
- considering the effectiveness of the group's internal financial control systems;

- considering the appointment or reappointment of the external auditor and reviewing their remuneration, both for audit and non-audit;
- monitoring and reviewing the external auditor's independence and objectivity and the effectiveness of the audit process;
- monitoring and reviewing the resources and effectiveness of internal audit;
- reviewing the internal audit programme and receiving periodic reports on its findings;
- reviewing the whistle-blowing arrangements available to staff;
- reviewing the group's policy on the employment of former audit staff; and
- reviewing the group's policy on non-audit fees.

Content of the Annual Report and Accounts – fair, balanced and understandable

One of the key governance requirements of a group's financial statements is for the report and accounts to be fair, balanced and understandable. The co-ordination and review of the group-wide input to the Annual Report and Accounts is a sizeable exercise performed within an exacting timeframe which runs alongside the formal audit process undertaken by the external auditor.

Arriving at a position where initially the audit committee, and then the board, are satisfied with the overall fairness, balance and clarity of the report and accounts is underpinned by the following:

- early preparation by management and review by the committee of key components of the annual report, particularly those reflecting new disclosure and reporting requirements;
- comprehensive reviews undertaken by management, a sub-committee of the directors and the auditor to ensure consistency and overall balance;
- knowledge sharing by management of key risks and matters likely to affect the annual report through attendance by the chairman of the audit committee at the annual internal audit planning meeting and tax and treasury committee meetings held during the year as well as through the audit committee chairman's regular meetings with management and internal audit; and
- a twice yearly review by the audit committee of key assumptions and judgements made by management in preparation of the annual and interim reports as well as considering significant issues arising during the year.

Financial reporting and significant financial judgements

The committee, with input from the external auditor, assessed whether suitable accounting policies had been adopted, whether management had made appropriate estimates and judgements and whether disclosures were balanced and fair.

For the year ended September 30 2015 the committee reviewed the following main issues:

ISSUE	REVIEW
Centre for Investor Education (CIE) There were a number of financial and governance irregularities at CIE identified by the group in the first half of the year. As a result, management made a number of significant accounting judgements at the half year, namely: • recognition of a goodwill impairment charge of £2.9m on the basis of reforecast results and reflecting the impact of the public announcements relating to the exit of the former owners; and • the group, in its preparation of these financial statements at September 30 2015, has examined all evidence, including its own management investigation and Deloitte & Touche LLP Australia's findings, in reaching the conclusion no further amounts are payable under the share purchase agreement for CIE, and it has reversed the liability on this basis together with de-recognising the non-controlling interest.	The committee was satisfied with the remedial actions taken by management (see Internal control and risk management on pages 39 and 40) following the identification of governance and financial irregularities. The committee has examined all evidence provided to it, including the group's own investigation, Deloitte & Touche LLP Australia's findings and the advice from external legal counsel, in reaching the conclusion that the significant accounting judgements used by management were appropriate. The committee has also ensured that the related disclosures in the Annual Report and Accounts were appropriate.

Corporate Governance

continued

ISSUE	REVIEW
Accounting for acquisitions and disposals Options under the group sold its investments in Capital NET and Capital DATA for a combined consideration of \$85.0m, which included a 15.5% minority stake in Dealogic, for \$59.2m. The following key accounting judgements were made: • that the disposal and subsequent acquisition had commercial substance, meaning that a gain on disposal should be recognised; • this investment has been equity accounted as an associate under IAS 28 by virtue of the group's significant influence conveyed by its 20% voting rights and board representation; and • the calculation of the £48.4m profit on disposal of Capital NET and Capital DATA. The group also has acquisition commitments on previous acquisitions.	The committee has satisfied itself on the appropriateness of the key accounting judgements relating to the Dealogic acquisition through discussion with management, review of the acquisition board papers as well as the work undertaken by the external auditor and reported at the audit committee meetings. The committee reviewed the inputs and assumptions into the calculation of the acquisition commitments liability at year end.
Goodwill and other intangibles The group has goodwill of £382.0m and other intangible assets of £141.8m. As a result of the impairment review at the half year and year end, the group recognised impairment charges for CIE of £2.9m, HedgeFund Intelligence (HFI) of £4.8m and Mining Indaba of £10.7m. A sensitivity analysis for NDR has been included as further disclosures are required under IAS 36 if any reasonably possible change to a key assumption would cause the cash generating units carrying amount to exceed its recoverable amount.	The committee has considered the assessments made in relation to the impairment of goodwill. The committee discussed the methodology around the inputs into the model supporting the carrying value. The committee reviewed those businesses where headroom has decreased or where management has identified impairments, including CIE, HFI and Mining Indaba. The committee has also understood the sensitivity analysis used by management in its review and disclosure of impairment.
Taxation The group is a multi-national group with tax affairs in many geographical locations. This inherently leads to higher complexity to the group's tax structure and makes the degree of estimation and judgement more challenging.	The committee discussed the deferred tax balances and the provision for uncertain tax positions with the external auditor and management to establish how they were determined and calculated. The chairman of the audit committee also attends the tax and treasury committee which provides valuable insight into the tax matters, related provisions and helps establish the appropriateness of the recognition of the deferred tax balances.
Share-based payments Options under the group's long-term incentive schemes, CAP 2014 and CSOP 2014, were granted in 2014. The fair value calculated using an appropriate option pricing model at the grant date is expensed on a straight-line basis over the expected vesting period, based on the estimate of the number of shares that will eventually vest. The final award is subject to a number of performance tests which may change the number of shares that will vest. At the half year, management reversed the cumulative CAP 2014 charge of £2.5m through the Income Statement as the latest forecasts for the group did not indicate that the required profit target would be met in 2017.	The committee concluded that the group's reversal of the cumulative CAP 2014 charge was appropriate based on the latest forecasts and that subsequent trading in the second half had not significantly improved.
Significant provisions and accruals The group continues to recognise significant provisions and accruals including a provision for the impairment of trade receivables and property-related provisions.	The committee discussed with management and the external auditor the methods used to determine and calculate the provision levels. They also discussed matters not provided against to establish if this was appropriate.

ISSUE	REVIEW
Presentation of the financial statements Presentation of the financial statements, in particular the presentation of the adjusted performance and the adjusting items.	The committee reviewed the financial statements and discussed with management and the external auditor the appropriateness of the adjusted items including consideration of their consistency and the avoidance of any misleading effect on the financial statements.

The committee is satisfied that all issues have been addressed appropriately and in accordance with the relevant accounting standards and principles. The committee is satisfied that, taken as a whole, the 2015 Annual Report and Accounts is fair, balanced and understandable.

External auditor

As a result of the tender performed in 2014, shareholders approved the appointment of PricewaterhouseCoopers LLP (PwC) as the company's new statutory auditor at the 2015 AGM. To ensure a smooth handover process from Deloitte LLP, the previous statutory auditor, PwC shadowed Deloitte LLP through areas of the 2014 year end process, giving them a good understanding of the business. During the year, PwC underwent a thorough induction process to enhance their understanding of the business, including meetings with executives, members of the finance function and divisional directors, lead partner visits to the New York and Montreal offices, process walk-throughs of their in-scope businesses and mobilisation of their global audit teams. The company and PwC have adopted an approach encouraging open communication on current matters as and when they arise.

As part of its role in ensuring effectiveness, the committee reviewed PwC's audit plan to ensure its appropriateness for the group and has completed a review which focussed on the effectiveness, independence and objectivity of the external audit. The assessment of the effectiveness is based on a framework setting out the key areas of the audit process for the committee to consider, as well as the role that management has contributed to an effective process. As this is PwC's first year, the committee was only able to assess their work up until the end of the financial period and not the year end audit itself. However, the period included the interim reporting cycle. Results from tailored questionnaires sent to the chairman of the audit committee, finance director, deputy finance director, and divisional finance directors were discussed by the audit committee and no significant issues were raised by the assessment. PwC confirmed to the committee that they maintained appropriate internal safeguards to ensure their independence and objectivity. The committee recommends the reappointment of PwC at the 2016 AGM.

Effectiveness of internal financial control systems

The committee invests time in meeting with internal audit to better understand their work and its outcome. At each meeting of the committee internal audit present a detailed report covering controls audited since the last meeting, matters identified and updates to any previous control issues still outstanding. The committee challenges internal audit and discusses these audits and matters identified as appropriate. Internal audit supplement their work through a series of peer reviews completed by finance people across the group but independent from the business being audited. The peer reviews audit the operation of key internal controls which have been confirmed by the businesses as in place through an annual control standards sign-off. Internal audit review the findings of this supplemental work and present a summary to the committee at each audit committee meeting. This is challenged by the committee and discussed as necessary.

Corporate Governance

continued

Resources available to internal audit and its effectiveness

The audit committee monitors the level and skill base available to the group from internal audit. Although internal audit areas are planned a year ahead, the amount of time available to the group from internal audit is not fixed. Internal audit is able to scale up resource as required and draws on finance people across the wider DMGT group as well as regularly supplementing its team through the use of specialists.

The committee is able to monitor the effectiveness of internal audit through its involvement in their focus, planning, process and outcome. The committee approves the internal audit plan and any revision to it during the year. The chair of the committee is invited to attend the initial internal audit planning meeting with management. Internal audit present, at each audit committee meeting, a summary of its work and findings, the results of the internal audit team's follow up of completed reviews and a summary of assurance work completed by other audit functions within the business; technology audits; circulation audits; polls and awards audits and peer reviews (as explained above). Internal audit are involved in other risk assurance projects including fraud investigation, the annual fraud and bribery risk assessment, information security and business continuity. Internal audit are also subject to an external review every five years, the results of which are fed back to the committee. This external review was last carried out in September 2013.

Non-audit work

The audit committee completes an annual assessment of the type of non-audit work permissible and a de minimis level of non-audit fees acceptable. Any non-audit work performed outside this remit is assessed and where appropriate approved by the committee. Fees paid to PwC for audit services, audit-related services and other non-audit services are set out in note 4. During 2015, PwC did not provide significant non-audit services. The group's non-audit fee policy is available on the company's website.

RISK COMMITTEE

Committee composition

The risk committee comprises CHC Fordham (chairman), PR Ensor, CR Jones, DP Pritchard (independent), ST Hardie (chief risk officer) and C Chapman (general counsel and company secretary to DMGT). One of the six members is an independent non-executive director. PR Ensor retired on September 30 2015 and A Rashbass was appointed chairman of the committee with effect from October 1 2015.

Responsibilities

The committee meets at least three times a year and is responsible for review and consideration of:

- the risks which the committee believes are those most pertinent to the group and its subsidiaries including emerging or potential future risks and their likely impact on the group;
- the impact of those risks and proposed remedial actions where appropriate;
- the group risk register and risk registers from each operating business including the applicable controls;
- reports on any material risk incidents and the adequacy of proposed action including management's responsiveness to the findings;
- the group's overall risk assessment approach and methodology, including:
  - the group's capability to identify and manage new risk types;
  - the group's procedures for detecting fraud and for the prevention of bribery; and
  - the adequacy and security of the group's speak-up arrangements;
- the principal risks and uncertainties disclosure and other relevant risk management disclosures for inclusion in the annual report.

The committee also advises the board on current risk exposures of the group, future risk mitigation strategies and the overall risk appetite and tolerance.

ANNUAL REPORT AND ACCOUNTS

The directors have responsibility for preparing the 2015 Annual Report and Accounts and for making certain confirmations concerning it. In accordance with the Code provision C.1.1 the board considers that, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy. The board reached this conclusion after receiving advice from the audit committee.

STATEMENT BY THE DIRECTORS ON COMPLIANCE WITH THE CODE

The Listing Rules require the board to report on compliance throughout the accounting year with the provisions of the Code issued by the Financial Reporting Council. Since its formation in 1969, the company has had a majority shareholder, Daily Mail and General Trust plc (DMGT). As majority shareholder, DMGT retains two non-executive positions on the board. These non-executive directors are not regarded as independent under the Code. In addition, the company's founder, president and ex-chairman, Sir Patrick Sergeant, remains on the board but is not regarded as an independent director under the Code. As a result, the company failed to comply throughout the financial year ended September 30 2015 with certain provisions of the Code as set out below. Following the changes to the board announced on November 19 2015 it is the Company's intention that the board will comprise two executive directors (the CEO and finance director) and eight non-executive directors, four of whom will be independent. The board believes that these changes will allow for more effective management of the group including clearer delineation of responsibilities between the board and the executive management team. It will also bring the company more in line with the Code.

PROVISION	CODE PRINCIPLE	EXPLANATION OF NON-COMPLIANCE
A.3.1	Appointment of the chairman	The appointment of A Rashbass on October 1 2015 as executive chairman and then JC Botts on November 18 2015 as interim non-executive chairman did not meet the Code's Independence criteria. The company is undertaking a search for an independent non-executive chairman and intends to be compliant in the near term.
A.4.1	Composition of the board	The board has not identified a senior independent director. JC Botts, although not independent due to his length of service, acts as senior non-executive director.
B.1.2	Composition of the board	Less than half the board are independent non-executive directors. However, there are clear divisions of responsibility within the board such that no one individual has unfettered powers of decision. The company will be compliant in relation to the reduced number of executive directors following the AGM and aims to be more in line with best practice in the near term in relation to the number of independent directors.
B.2.1	Composition of the nominations committee	The nominations committee does not comprise a majority of independent non-executive directors. The committee comprises four non-executive and two executive directors, none of whom are considered independent under the Code.
B.3.2	Terms and conditions of appointment of non-executive directors	JC Botts, DP Pritchard, ART Ballingal and TP Hillgarth have terms and conditions of appointment. However, The Viscount Rothermere, MWH Morgan and Sir Patrick Sergeant operate under the terms of their employment contracts with DMGT and Euromoney respectively.
C.3.1	Composition of the audit committee	The audit committee does not comprise at least three independent non-executives directors. The committee comprises four members, only two of whom are considered independent under the Code.
C.3.2	Risk committee approach	The risk committee does not comprise of at least three independent non-executive directors. The committee comprises six members, only one of whom is considered independent under the Code. As explained on page 44 the role and responsibilities of the risk committee, including its membership, are considered appropriate and well suited to reviewing the company's risk management approach. The risk committee and the audit committee work collaboratively to ensure that the principles of the Code are achieved within this structure.
D.2.1	Composition of the remuneration committee	The remuneration committee does not comprise at least three independent non-executive directors. The committee comprises three non-executive directors, only one of whom is considered independent under the Code. JC Botts is the chairman of the remuneration committee and following the board changes on November 18 2015 is now the interim chairman of the company. The company is undertaking a search for a new independent chairman and on appointment will ensure JC Botts' appointment to the committee is once again compliant.

On behalf of the board

COLIN JONES
Director
December 14 2015

Directors' Remuneration Report

Report from the chairman of the remuneration committee

INFORMATION NOT SUBJECT TO AUDIT

REMUNERATION REPORT CONTENTS

This report covers the reporting period from October 1 2014 to September 30 2015 and includes three sections:

- the report from the chairman of the remuneration committee setting out the key decisions taken on executive and senior management pay during the year;
- the policy report which outlines the remuneration policy for the year to September 2016 and later years; and
- the annual report on remuneration which sets out how the previous remuneration policy has been implemented including details of payments made and outcomes for the variable pay elements based on performance for the year.

This report has been prepared in accordance with the relevant requirements of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2013 ('the Regulations') and of the Listing Rules of the Financial Conduct Authority. As required by the Regulations, a separate resolution to approve the remuneration report will be proposed at the company's AGM.

REPORT FROM THE CHAIRMAN OF THE REMUNERATION COMMITTEE

The remuneration committee reviews the remuneration and incentive plans of the executive directors and other key employees as well as looking at the remuneration costs and policies of the group as a whole.

On April 9 2015, the group announced the appointment of Andrew Rashbass as executive chairman with effect from October 1 2015, subject to shareholder approval, and this was given at the General Meeting on June 1 2015. Richard Ensor retired as executive chairman on September 30 2015. Following changes to the board on November 18 2015, Mr Rashbass' role has changed to the new role of CEO.

The key activity of the committee during the year has been the structuring of the remuneration package of Mr Rashbass. There were no other changes made to the salaries and incentives of the executive directors during financial year 2015.

The board and shareholders have approved a remuneration package for Mr Rashbass that the board believes is market competitive, aligned with shareholder interests and reflects current best practice.

The key elements of Mr Rashbass' remuneration package are as follows:

- A base salary of £750,000 per annum, subject to annual review in April each year in line with the date of salary reviews for all our employees.
- A pension allowance of 10% of salary per annum, payable in cash, and private healthcare and life insurance in line with those provided to the other executive directors.
- An annual bonus with a maximum value of up to 150% of salary each year ('Annual Bonus Plan'). Annual bonuses will be determined based on financial, business and/or individual performance measures for a year, as determined by the Remuneration Committee. The performance measures will be aligned with the company's corporate priorities. For financial year 2016, these performance measures will be weighted 50% to the achievement of the group's budgeted adjusted profit before tax for the year, and 50% to individual objectives linked to the development of the group's long-term strategy. Any annual bonus earned for a year of up to 100% of salary will be payable in cash. Any annual bonus earned in excess of 100% of salary will be paid in ordinary shares in the company, the vesting of which will be deferred for two years.
- An annual award of shares under the 2015 Performance Share Plan (2015 PSP) with a face value of up to 200% of salary. PSP awards will vest five years after grant, subject to satisfaction of financial and strategic measures to be determined by the Remuneration Committee that will be aligned with the company's long-term growth strategy. The 2015 PSP award for financial year 2016 will be made within six weeks of the announcement of the company's 2015 financial results. It is expected that the performance tests associated with these awards will be based on the achievement of an adjusted EPS growth target and individual objectives linked to the group's long-term strategy.

In addition, a one-off award of shares in the company with a value of £2,250,000 was made in order to compensate Mr Rashbass for incentives foregone on leaving his previous employment. This was considered to be no more than the comparable commercial value of the incentives foregone by Mr Rashbass from his previous employment. Based on the company's average share price for the month of September 2015, 221,011 shares were awarded on October 1 2015. Subject to continued employment, 40% of this award will vest on September 30 2016 and the remaining 60% will vest in three equal tranches on September 30 2017, 2018 and 2019 respectively.

Mr Rashbass will not participate in the company's Capital Appreciation Plan 2014 (CAP 2014) or profit share scheme.

The board believes that the remuneration package for Mr Rashbass:

- provides appropriate alignment with the medium- and long-term interests of shareholders through the significant weighting of his package towards variable performance-driven incentives;
- reflects best practice in a number of key areas, including:
  - the maximum annual bonus potential and annual 2015 PSP awards will both be capped as a percentage of salary;
  - the annual bonus will be partially deferred in shares in order to provide additional longer-term alignment with shareholders;
  - 2015 PSP awards will be subject to a five year period between the initial award and vesting;
  - annual cash and deferred bonuses and the 2015 PSP awards will be subject to malus and clawback as required by the UK Corporate Governance Code; and
  - the company is taking this opportunity to introduce minimum shareholding guidelines for the CEO of 200% of salary and 100% of salary for other executive directors; and
- was appropriate to secure the appointment of an executive as experienced and skilled as Mr Rashbass.

A long-term incentive plan, CAP 2014, was approved by shareholders at the 2014 AGM.

The achievement of the CAP 2014 performance target is dependent on a number of factors, including the health of the financial and commodities markets, the success of acquisitions and disposals, the return on the group's digital investment, and exchange rates. In light of the continuing uncertainty over financial and commodities markets and exchange rates, as well as the difficulties of forecasting M&A activity and investment returns, management has concluded that it cannot forecast with the required degree of certainty that the minimum CAP 2014 performance target will be achieved by 2017. Accordingly the CAP expense of £2.5m charged in the second half of 2014 has been reversed in the first half of this year, and no further CAP cost is being amortised in 2015.

Notwithstanding the accounting treatment of the CAP cost, the group continues to pursue the acquisition of high growth businesses and to invest in its digital transformation, and the CAP remains an important part of the incentive arrangements for delivering this growth strategy.

No changes to the performance conditions under the group's long-term incentive plans were made during the year.

REMUNERATION COMMITTEE

During the year the remuneration committee comprised JC Botts (chairman), MWH Morgan, and DP Pritchard (independent). All members of the committee are non-executive directors of the company. MWH Morgan is the chief executive of Daily Mail and General Trust plc, the group's parent company. For the year under review, the committee also sought advice and information from the company's chairman, managing director and finance director. The committee's terms of reference permit its members to obtain professional advice on any matter. Guidance was sought from Deloitte on structuring Mr Rashbass' package in line with best practice and on benchmarking against an appropriate peer group. Deloitte was appointed and selected by the remuneration committee to undertake this work as they are independent and have good knowledge of the group. They were paid £39,500 for this service. External benchmarking was also undertaken for the remuneration of other executive directors.

The key activities of the committee in the year included:

- obtaining advice on a suitable, competitive remuneration package for Mr Rashbass;
- considering the impact of the assumption that the minimum performance target under CAP 2014 would not be met and its implications for retention and motivation of senior executives;
- confirming that salaries of the executive directors would remain unchanged at April 1 2015;
- approving the average annual pay increase for the group, effective from April 1 2015, of 2%; and
- approving the annual profit shares for the executive directors and senior management of the group for financial year 2015.

LINKING KPIS TO REMUNERATION

As explained in the Remuneration Policy Report on page 49 the group's remuneration policies are designed to drive and reward earnings growth and shareholder value.

The group's KPIs set out on pages 12 and 13 of the Strategic Report similarly contribute to the growth in the group's earnings and shareholder value and are integral to the setting of management incentives. For the executive directors, growth in adjusted profits has traditionally been the KPI on which their incentives were based. The introduction of the Annual Bonus Plan and 2015 PSP, initially to be applied to the new CEO, will enable future incentives for executive directors and senior management to be more closely aligned with the group's key strategic, financial and operational objectives.

2015 REMUNERATION AT A GLANCE

	Salary £	Benefits £	Profit share £	Pension £	Total £
Executive directors					
PR Ensor (retired September 30 2015)	175,500	5,378	3,799,984	22,918	4,003,780
CHC Fordham	375,000	1,506	161,700	37,500	575,706
NF Osborn	130,863	1,581	154,026	9,399	295,869
CR Jones	265,000	1,506	559,789	39,750	866,045
DE Alfano	141,862	10,152	815,649	4,256	971,919
JL Wilkinson	180,000	–	83,536	18,000	281,536
B AL-Rehany	219,171	1,006	240,082	6,915	467,174
	1,487,396	21,129	5,814,766	138,738	7,462,029

JOHN BOTTS
Chairman of the remuneration committee
December 14 2015

Directors' Remuneration Report

Remuneration policy report

INFORMATION NOT SUBJECT TO AUDIT INTRODUCTION

The current remuneration policy was approved by shareholders at the General Meeting held on June 1 2015 and can be found on the company's website (www.euromoneyplc.com). The new policy took effect from October 1 2015.

The key changes in the new remuneration policy were to accommodate the remuneration package for the A Rashbass as follows:

- the introduction of an Annual Bonus Plan;
- the introduction of a Performance Share Plan (PSP);
- the recruitment policy was amended to accommodate the recruitment award for the new CEO; and
- a minimum shareholding guideline of 200% of base salary was introduced for the CEO and 100% of base salary for the other executive directors.

The new remuneration policy also provides additional flexibility for designing future incentive plans for the other executive directors and senior management and ensuring these incentives are more closely aligned with the group's long-term strategy.

The implementation of the remuneration policy for the A Rashbass for the 2016 financial year was outlined in the Notice of General Meeting sent to shareholders in May 2015. The implementation of the remuneration policy for the other executive directors is set out on pages 57 to 68 of this report. These arrangements are expected to remain in place for the 2016 financial year.

COMPLIANCE STATEMENT

This report sets out the group's policy and structure for the remuneration of executive and non-executive directors. This policy report is intended to be in full compliance with the requirements of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended).

REMUNERATION POLICY

The group believes in aligning the interests of management with those of shareholders. It is the group's policy to construct executive remuneration packages such that a significant part of a director's remuneration is linked to performance measures aligned with the group's key strategic, financial and operational objectives and with the creation of sustainable long-term shareholder value. Salaries and benefits are generally not intended to be the most significant part of a director's remuneration. In formulating its directors' remuneration policy, the committee has considered employee pay and benefits available across the group and also sought advice on best practice from Deloitte.

DETAILED REMUNERATION ARRANGEMENTS OF EXECUTIVE DIRECTORS

BASIC SALARY	
Purpose and link to strategy	• Part of an overall market competitive pay package with salary generally not the most significant part of a director's overall package. • Reflect the individual's experience, role and performance within the company.
Operation	• Paid monthly in cash. • Normally reviewed by the remuneration committee in April each year.
Benchmarking	• The Remuneration Committee examines salary levels at FTSE 250 companies and other listed peer group companies to help determine executive director pay increases.
Relationship to employee salaries	• There is no prescribed maximum employee salary level. The approach to setting base salary increases across the group takes into account performance of the individuals concerned, the performance of the business they work for, micro and macroeconomic factors, and market rates for similar roles, skills and responsibility.

BENEFITS	
Purpose and link to strategy	• Basic benefits are provided as part of a market competitive pay package.
Operation	*Benefits may include:* • Private healthcare; • Life insurance; and • Overseas relocation and housing costs.
Relationship to employee benefits	• Benefits are available to all directors and employees subject to a minimum length of service or passing a probationary period.
Benefit levels	• All executive directors participate in the healthcare scheme offered in the country where they reside. There is no prescribed maximum level of benefits.
PENSIONS	
Purpose and link to strategy	• Retirement benefits are provided as part of a market competitive pay package.
Operation	• Directors may participate in the pension arrangements applicable to the country where they work. • A director who elects to cease contributing to a company pension scheme due to changes in tax or pension legislation may choose to receive a pension allowance in lieu of the company's pension contributions.
Relationship to employee pension levels	• All directors and employees are entitled to participate in the same pension scheme arrangements applicable to the country where they work. The maximum employers' contribution to a pension scheme is 15% of pensionable salary.

PROFIT SHARES	
Purpose and link to strategy	• Profit share links the pay of those executive directors to whom it relates directly to the growth in profits of their businesses. It encourages each director to grow their profits, to invest in new products, to search for acquisitions, and to manage costs and risks tightly. • Profit shares are designed to maximise sustainable profits with no guaranteed floor and no ceiling. • Profit shares are expected to make up much of a director's total pay and encourage long-term retention.
Operation	• Profit shares are paid in full in the financial year following the year in which they are earned. In exceptional circumstances profit shares may be paid in part during the year in which they are earned but only to the extent that profits have already been generated. • There is no deferral of profit share. • There is no guaranteed floor or ceiling on profit shares earned. • Profit shares are calculated after charging the cost of funding acquisitions at the group's actual cost of funds. • Each director's profit share is subject to audit and to Remuneration Committee approval, and can be revised at any time if the director's responsibilities are changed. • Gains or losses on the disposal of capital assets, including subsidiaries and investments, are not included in profit shares; • In the event of material misstatement relating to any information used in determining the amount of profit share, or gross misconduct by an executive director, the board may claw back profit share previously paid for a period of up to three years after the year when the event happened. • The profit shares of each executive director for financial year 2015 are reported in detail in the remuneration implementation report. These arrangements are expected to remain in place for financial year 2016.
Relationship to employee incentive schemes	• Incentives, including profit shares, are an important part of the group culture. The directors believe they directly reward good and exceptional performance. Most employees across the group have an incentive scheme in place.

Directors' Remuneration Report

Remuneration policy report continued

ANNUAL BONUS PLAN	
Purpose and link to strategy	• The Annual Bonus Plan links reward to key business targets and an individual's contribution. • The Annual Bonus Plan provides alignment with shareholders' interests through the operation of bonus deferral.
Operation	• Any executive director may participate in the Annual Bonus Plan. • The maximum award that can be made under the Annual Bonus Plan is 150% of salary. Each year the Remuneration Committee will determine the maximum annual bonus opportunity for individual executive directors within this limit. • Annual bonus payments will be paid in cash following the release of audited results and/or as a deferred award over company shares. • Deferred awards are usually granted in the form of conditional share awards or nil-cost options (and may also be settled in cash). • Deferred awards usually vest two years after award although may vest early on leaving employment or on a change of control (see later sections). • An additional payment (in the form of cash or shares) may be made in respect of shares which vest under deferred awards to reflect the value of dividends which would have been paid on those shares (this payment may assume that dividends had been reinvested in company shares on a cumulative basis). • The annual bonus payable is based on performance assessed over one year using appropriate financial, strategic and individual performance measures. The majority of the Annual Bonus will generally be determined by measure(s) of group financial performance. • Any annual bonus payout is ultimately at the discretion of the Remuneration Committee. • The cash bonus will be subject to recovery, and / or deferred awards will be withheld, at the Remuneration Committee's discretion in exceptional circumstances where, before the preliminary announcement of audited results during the third financial year following the financial year in which the bonus is determined, a material misstatement or miscalculation comes to light which resulted in an overpayment under the Annual Bonus Plan, or there is gross misconduct. • The Annual Bonus Plan will first be operated in financial year 2016 when the only director who will participate is the new executive chairman.
Relationship to employee incentive schemes	• Incentive schemes, like the Annual Bonus Plan, are an important part of the group culture. The directors believe they directly reward good and exceptional performance. Most employees across the group have an incentive scheme in place.

LONG-TERM INCENTIVE PLANS	
Purpose and link to strategy	• Share schemes are an important part of overall compensation and align the interests of directors and managers with shareholders. They encourage directors to deliver long-term, sustainable profit and share price growth.
Operation	***2014 Capital Appreciation Plan (CAP 2014)*** • At the company's AGM in January 2014, the directors received approval for a new long-term incentive scheme following the achievement of the performance conditions of CAP 2010. Awards under CAP 2014 are granted to senior employees who have direct and significant responsibility for the profits of the group. Each CAP 2014 award will comprise an option to subscribe for ordinary shares of 0.25 pence each in the company and a right to receive a cash payment. No individual may receive an award over more than 5% of the award pool. In accordance with the terms of CAP 2014, no consideration will be payable for the grant of these awards. • The primary performance test under CAP 2014 requires the company to achieve an adjusted profit before tax (before CAP costs) of £173.6m by financial year 2017 (increased to £178.4m for the acquisition of Mining Indaba). This is equivalent to an average profit growth rate of at least 10% a year from a base in 2013 which the Remuneration Committee decided was a sufficiently challenging target. Subject to the performance test being satisfied, rewards under CAP 2014 are expected to vest in three tranches in February 2018, 2019 and 2020. The profit target under CAP 2014 will be adjusted in the event that any significant acquisitions or disposals are made during the performance period. Awards are granted under CAP 2014 to senior employees of acquired entities who have direct and significant responsibility for the profits of the group. • In the event of material misstatement relating to any information used in determining the vesting of CAP 2014 awards, or gross misconduct by an executive director, the board may claw back long-term incentives previously paid for a period of up to three years after the year when the event happened. ***2014 Company Share Option Plan (CSOP 2014)*** • At the company's 2014 AGM, the directors also received approval for a new CSOP. The CSOP 2014 will be a delivery mechanism for part of the CAP 2014 award. Awards are granted under the CSOP 2014 to senior employees who have direct and significant responsibility for the profits of the group. Each CSOP 2014 option will enable each UK-based participant to purchase up to £30,000* of shares in the company with reference to the market price of the company's shares at the date of grant. No consideration will be payable for the grant of these awards. The options will vest and become exercisable at the same time as the corresponding share award under the CAP 2014 providing the CSOP option is in the money at that time. * The Canadian version of the CSOP 2014 will enable a Canada-based participant to purchase up to £100,000 of shares in the company with reference to the market price of the company's shares at the date of grant

Directors' Remuneration Report

Remuneration policy report continued

LONG-TERM INCENTIVE PLANS	
	2015 Performance Share Plan (PSP) • At the company's General Meeting in June 2015 shareholder approval was sought for the PSP. Any executive director may participate in the PSP. • The maximum annual award permitted under the PSP is shares with a market value of 200% of annualised basic salary. These awards will normally be subject to a performance period of five years. If the Remuneration Committee determines so, an alternative performance period may be applied (with a minimum of at least three years) plus, if applied, an additional holding period of up to two years. Awards may vest early on leaving employment or on a change of control (see later sections). Vesting of these awards will be based on financial performance measures and/or strategic business goals, with the precise measures and weighting of the measures determined by the Remuneration Committee on the grant of each award. For achieving a threshold level of performance against a performance measure, no more than 25% of the portion of the PSP award determined by that measure will vest. Vesting of that portion would then increase to 100% for achieving a stretching maximum performance target. • All PSP awards may be granted as conditional awards of shares or nil-cost options (or, if appropriate, as cash-settled equivalents). An additional payment (in the form of cash or shares) may be made in respect of shares which vest under PSP awards to reflect the value of dividends which would have been paid on those shares (and this payment may assume that dividends had been reinvested in company shares on a cumulative basis). • PSP awards will be subject to recovery and/or withholding at the Remuneration Committee's discretion in exceptional circumstances where, before the preliminary announcement of audited results during the sixth financial year following the financial year in which the award is granted, a material misstatement or miscalculation comes to light which resulted in an over-vesting of PSP awards, or gross misconduct.
Relationship to all employee long-term incentive schemes	• Both the CAP and the PSP reward the creation of long-term shareholder value and are potentially available to all senior employees across the group. An individual would not normally be granted an award under both the CAP and the PSP in the same financial year.

LONG-TERM INCENTIVE PLANS (ALL-EMPLOYEE SCHEMES)	
Purpose and link to strategy	• All-employee share schemes align staff with the group's financial performance and promote a sense of ownership.
Operation	*Euromoney SAYE scheme* • The group operates an all-employee save as you earn scheme in which those directors employed in the UK are eligible to participate. No performance conditions attach to options granted under this plan. It is designed to incentivise all employees. Participants save a fixed monthly amount of up to £500 (or such other limit as may be approved from time to time by HMRC) for three years and are then able to buy shares in the company at a price set at a 20% discount to the market value at the start of the savings period. *DMGT SIP* • Daily Mail and General Trust plc, the group's parent company, operates a share incentive plan in which all UK-based employees of the Euromoney group can participate. Executive directors may participate on the same basis as other employees, in line with HMRC guidance. • All employees based in the UK are entitled to participate in the Euromoney SAYE and DMGT SIP schemes.

Notes to table:

- The Remuneration Committee may vary any performance condition(s) if an event occurs which causes it to determine that a varied condition would be more appropriate, provided that any such varied condition is not materially less difficult to satisfy. In the event that the Remuneration Committee was to make an adjustment of this sort, a full explanation would be provided in the next Remuneration Report.
- Performance measures – The performance measures used in the variable incentive plans are reviewed annually and chosen to focus executive rewards on delivery of key financial targets for the relevant performance period in addition, where appropriate, to key strategic or operational goals relevant to an individual. Precise targets are set at the start of each performance period by the Remuneration Committee based on relevant reference points, including, for group financial targets, the company's business plan, and are designed to be appropriately stretching.
- The Remuneration Committee intends to honour any commitments entered into with current or former directors on their original terms, including outstanding incentive awards, which have been disclosed in previous remuneration reports and, where relevant, are consistent with a previous policy approved by shareholders. Any such payments to former directors will be set out in the Remuneration Report as and when they occur.
- The Remuneration Committee reserves the right to make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the policy set out above where the terms of the payment were agreed: (i) before the date the company's first remuneration policy approved by shareholders in accordance with section 439A of the Companies Act came into effect; and (ii) before the policy set out above came into effect, provided that the terms of the payment were consistent with the shareholder-approved remuneration policy in force at the time they were agreed; or (iii) at a time when the relevant individual was not a director of the company and, in the opinion of the Remuneration Committee, the payment was not in consideration for the individual becoming a director of the company. For these purposes "payments" includes the Remuneration Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are "agreed" at the time the award is granted.
- The Remuneration Committee may make minor amendments to the Policy (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.
- The Remuneration Committee will operate the variable incentive plans according to their respective rules which provide flexibility in a number of regards:
  - Under the CAP, outstanding awards will vest early in the event of a change of control/takeover or if the company is wound up, but, in the event that the relevant transaction takes place prior to the end of the performance period, only to the extent that the Remuneration Committee considers that the performance conditions have been met. However, the rule applying on changes of control/takeovers does not apply on an internal reorganisation or where the acquiring company either agrees to continue to operate the plan in accordance with its terms (but satisfying share awards in cash) or to replace the plan with equivalent share arrangements relating to shares in the acquiring company. If the company is affected by any demerger, dividend in specie, special dividend or other transaction which will adversely affect the current or future value of awards under the CAP, the Remuneration Committee may allow CAP awards to vest early on such event. If the shares in the company cease to be listed otherwise than on a change of control, the CAP will continue to operate but share awards will be satisfied in cash.
  - Under the PSP and the deferred share bonus plan, outstanding awards will vest early in the event of a change of control/takeover unless the change of control is an internal reorganisation or the Remuneration Committee determines otherwise in which case awards will be exchanged for equivalent awards over shares in the acquiring company. In the case of PSP awards, the extent to which awards vest will take into account the satisfaction of the performance conditions and, unless the Remuneration Committee determines otherwise, on a time pro-rated basis by reference to the proportion of the performance period that has elapsed. If the company is wound up or is or may be affected by a demerger, delisting, special dividend or other event which would, in the Remuneration Committee's opinion affect the company's share price, the Remuneration Committee may allow PSP and deferred share bonus plan awards to vest on the same basis as for a takeover.
  - Any buy-out award granted as part of the recruitment of an executive director will be treated as a change of control in line with the agreed commercial terms of that award.
  - If there is a variation of the company's share capital or a demerger, delisting, special dividend, rights issue or other event which, in the Remuneration Committee's opinion would affect the company's share price, the Remuneration Committee may adjust the terms of the awards.

Directors' Remuneration Report

Remuneration policy report continued

NON-EXECUTIVE DIRECTORS

The remuneration of non-executive directors is determined by the board based on the time commitment required by the non-executive directors, their role and market conditions. Each non-executive director receives a base fee for services to the board with an additional fee payable for non-executive directors with selected, additional responsibilities (for example, the chairs of the remuneration and audit committees). The non-executive directors do not participate in any of the company's incentive schemes. The non-executive directors receive reimbursement for reasonable expenses incurred as part of their role as non-executive directors.

POLICY ON EXTERNAL APPOINTMENTS

The company encourages its executive directors to take a limited number of outside directorships provided they are not expected to impinge on their principal employment. Subject to the approval of the company chairman, directors may retain the remuneration received from the first such appointment.

RECRUITMENT POLICY

Compensation packages for new board directors are set in accordance with the prevailing Remuneration Policy at their time of joining the Board. The main components are detailed below.

New executive directors will receive a salary commensurate with their responsibilities and which will not be the most significant part of their overall remuneration package. The director will also be offered the benefit of private healthcare and life assurance. Other benefits may include a pension allowance, relocation or housing allowance.

New executive directors will participate in one or more of the incentive plans outlined in the section "Detailed remuneration arrangements of executive directors" earlier in this Policy Report.

Where appropriate, a new executive director may be granted a one-off buy-out award for loss of earnings from previous employment which have been forfeited in order to join the company. When structuring a buy-out award the Remuneration Committee will take account of all relevant factors, including any performance conditions attached to forfeited incentive awards, the likelihood of those conditions being met, the proportion of the vesting/performance period remaining and the form of the award (e.g. cash or shares). The overriding principle will be that any replacement buy-out award should, in aggregate, not exceed the commercial value of the earnings which have been forfeited. The Remuneration Committee may, in a recruitment scenario, rely upon the Listing Rules exemption from shareholder approval to grant a one-off buy-out award to facilitate the recruitment of a director.

New executive directors are entitled to participate in the Euromoney SAYE and DMGT SIP schemes.

Where an executive director is appointed from within the organisation, the normal policy of the company is that any legacy arrangements would be honoured in line with the original terms and conditions. Similarly, if an executive director is appointed following the company's acquisition of or merger with another company or business, legacy terms and conditions would be honoured.

New non-executive directors appointed to the board will receive a base fee in line with that payable to other non-executive directors. In the event that a non-executive director is required to temporarily take on the role of an executive director, their remuneration may include any of the elements listed above for executive directors.

DIRECTORS' SERVICE CONTRACTS

The company's policy is to employ executive directors on service agreements which are terminable on 12 months' notice. The Remuneration Committee seeks to minimise termination payments and believes these should be restricted to the value of remuneration for the notice period.

The company's executive directors are employed for an indefinite term and the service agreements provide for a notice period of 12 months from the company and the executive. The service agreements for PR Ensor, NF Osborn, CHC Fordham, DE Alfano and B AL-Rehany include payment in lieu of notice provisions. Each executive director participates in bonus or incentive arrangements (and in the case of A Rashbass a recruitment award as compensation for forfeiting remuneration in order to join the company).

The service agreement for the new CEO, A Rashbass, includes, the following provisions on termination (consistent with the other executive directors): 12 months' notice from the company (and the executive) and during such notice the executive will normally continue to be entitled to receive, at the absolute discretion of the Remuneration Committee, bonus, long-term incentive awards that accrue during the notice period and the recruitment bonus (to the extent that the award vests during the notice period). If the company terminates employment and elects to make a payment in lieu of notice (PILON) this will be calculated on the basis of A Rashbass' base salary for the notice period and will also take account of any recruitment bonus to which A Rashbass would become entitled during the notice period. At the absolute discretion of the Remuneration Committee, A Rashbass will also be considered for any bonuses to which he would or may become entitled during the notice period. The other executive directors' service agreements are currently being reviewed and updated where necessary – the revised contracts for executive directors will provide for 12 months' notice and provisions for payment in lieu of notice and garden leave.

The service agreements for the executive directors are expressed to expire on reaching their respective retirement age; however, the executive directors could not, under UK law, be required to retire at this age following the abolition of the default retirement age.

In the event that employment is terminated due to incapacity (90 calendar days absence in a rolling 12 month period) the service agreements provide for termination on six months' notice

apart from NF Osborn and DE Alfano. The contract for NF Osborn provides for one month's notice and for DE Alfano provides for immediate termination. In these circumstances the company would also make a payment for pension and pro-rated profit share up to the date of termination for all executive directors.

With the exception of Sir Patrick Sergeant, none of the non-executive directors has a service contract, although JC Botts, DP Pritchard, TP Hillgarth and ART Ballingal serve under a letter of appointment. The service contract of Sir Patrick Sergeant provides for 12 months' expense allowance and an expense allowance up to the date of termination in the event of incapacity.

The directors' service contracts are available for shareholder inspection at the company's registered office.

POLICY ON PAYMENT FOR LOSS OF OFFICE

The company's approach to payments in the event of termination is to take account of the individual circumstances including the reason for termination, individual performance, contractual obligations, the terms of profit share plans/incentives and long-term incentive plans in which the executive director participates.

The company's general practice for all executive directors is to provide for 12 months' salary, pension and pro-rated profit share up to the date of termination.

The company may lawfully terminate an executive director's employment without compensation in circumstances where the company is entitled to terminate for cause (this is defined in the service agreements).

The Remuneration Committee may determine that any executive director is eligible to receive an annual bonus in respect of the financial year in which they cease employment. This bonus would usually be time apportioned. In determining the level of bonus to be paid, the Remuneration Committee may, at its discretion, take into account performance up to the date of cessation or over the financial year as a whole.

The treatment of outstanding share awards in the event of termination is governed by the relevant share plan rules as summarised below.

If a participant in the CAP ceases to be employed by reason of death, injury, disability, redundancy, the sale of the participant's employing business or entity out of the Group, or any other exceptional circumstance as determined by the Remuneration Committee, then the Remuneration Committee has the discretion to allow the CAP award to vest on the normal vesting date, to the extent determined by the Remuneration Committee at the time of cessation. If such discretion is not exercised, then the award will lapse 60 days following cessation of employment. Such discretion is not exercisable on voluntary resignation of the participant or where the cessation of employment occurs in circumstances which would justify summary dismissal of the participant. In all other circumstances, awards will lapse on the participant ceasing to be employed (or giving or being given notice to terminate the employment).

If an executive director participates in the PSP and ceases to be an officer or employee of the Group during the performance period in any circumstances other than those set out below, an unvested award will lapse on the date on which their employment ceases.

If a participant dies, an unvested PSP award will vest at the time of the participant's death taking into account the satisfaction of the performance condition and, unless the Remuneration Committee determines otherwise, on a time pro-rated basis by reference to the proportion of the performance period that has elapsed.

If a participant is treated as a good leaver because cessation of employment is as a result of ill-health, injury, disability, the sale of the individual's employing business or entity out of the Group, the transfer of the individual to another of DMGT's businesses outside the Group or any other reason at the Remuneration Committee's discretion ('a Good Leaver Reason') a participant's unvested PSP award will usually continue until the normal vesting date except where the Remuneration Committee determines it should vest as soon as reasonably practicable following the participant's cessation. The extent to which the award vests will take account of the extent to which the performance condition is satisfied and, unless the Remuneration Committee determines otherwise, on a time pro-rated basis by reference to the proportion of the performance period that has elapsed.

If a PSP award is subject to a holding period and a participant ceases to be an officer or employee of the Group during that holding period, his award will normally be released at the end of the holding period except where the Remuneration Committee determines it should be released following the participant's cessation. However, if a participant is summarily dismissed during a holding period, his award will lapse immediately. Nil-cost options will normally be exercisable for six months after release.

Where an executive director participates in the deferred share bonus plan and ceases employment, their outstanding awards will normally lapse unless cessation is due to the participant's death or a Good Leaver Reason, in which case outstanding awards will vest at the normal vesting date or, if the Remuneration Committee so determines, as soon as reasonably practicable following the individual's cessation.

Any buy-out award granted as part of the recruitment of an executive director will be treated on cessation of employment in line with the agreed commercial terms of that award.

The Remuneration Committee may also approve a contribution towards a departing executive's legal or other professional costs, where appropriate.

No other termination payments are provided unless otherwise required by law.

A non-executive director's contract can be terminated by the company giving summary notice, with the exception of Sir Patrick Sergeant who has a 12-month notice period.

Directors' Remuneration Report

Remuneration policy report continued

POLICY FOR DIRECTORS HOLDING EQUITY IN THE COMPANY

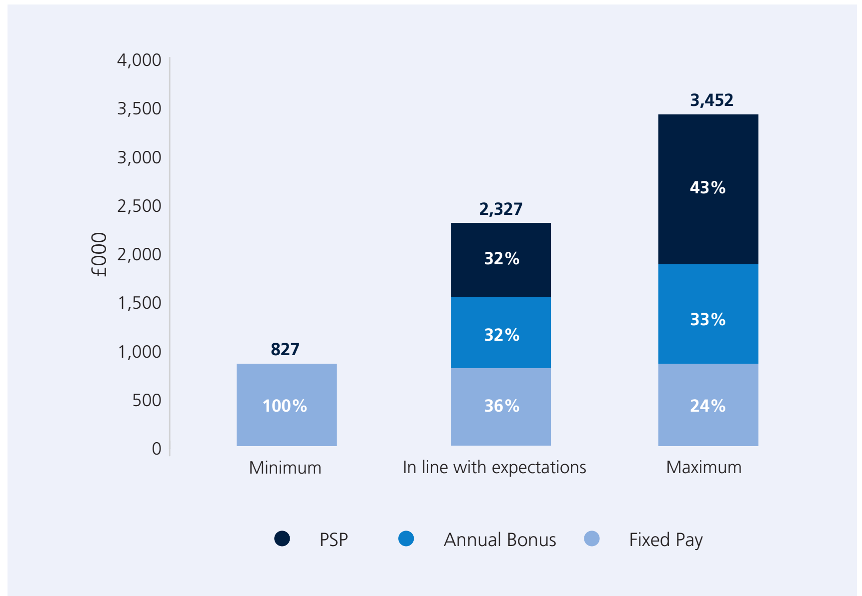
With effect from October 1 2015, there is a minimum shareholding requirement of 200% of base salary for the executive chairman and 100% of salary for other executive directors on a continuous basis. A newly appointed executive director will have a period of five years from their date of appointment to meet the minimum shareholding requirement.

SCENARIO CHARTS FOR DIRECTORS' REMUNERATION

The chart below provides illustrative values of the remuneration package for the new CEO, A Rashbass, under three assumed performance scenarios for FY2016. This chart is for illustrative purposes only and actual outcomes may differ from those shown.

ASSUMED PERFORMANCE	ASSUMPTIONS USED
All performance scenarios (Fixed pay)	• Consists of total fixed pay, including base salary, benefits and pension. • Base salary – salary effective as at October 1 2015. • Benefits – estimated value of £2,000. • Pension allowance – amount expected to be received in FY2016 (10% of salary).
Minimum (less than threshold) performance (Variable pay)	• No pay-out under the annual bonus. • No vesting under the PSP.
Performance in line with expectations (Variable pay)*	• 2/3rd of the maximum pay-out under the annual bonus. • 50% vesting under the PSP.
Maximum performance (Variable pay)*	• 100% of the maximum pay-out under the annual bonus. • 100% vesting under the PSP.

*PSP awards have been shown at face value, with no share price growth or discount rate assumptions. All-employee share plans have been excluded.



Directors' Remuneration Report

Annual report on remuneration

INFORMATION SUBJECT TO AUDIT

The table below sets out the breakdown of the single total figure of remuneration for each executive director in financial years 2015 and 2014.

Single total figure of remuneration

		Salary and fees £	Benefits £	Profit share £	Long-term incentive £	Pension £	Total £
Executive directors							
PR Ensor (retired September 30 2015)[1]	**2015**	**175,500**	**5,378**	**3,799,984**	**–**	**22,918**	**4,003,780**
	2014	175,500	1,416	4,375,610	–	22,918	4,575,444
CHC Fordham[2]	**2015**	**375,000**	**1,506**	**161,700**	**–**	**37,500**	**575,706**
	2014	375,000	1,771	480,935	–	37,500	895,206
NF Osborn[3]	**2015**	**130,863**	**1,581**	**154,026**	**–**	**9,399**	**295,869**
	2014	130,863	1,416	237,451	–	9,399	379,129
DC Cohen (resigned September 30 2014)	**2015**	**–**	**–**	**–**	**–**	**–**	**–**
	2014	115,700	1,771	334,775	–	15,855	468,101
CR Jones[4]	**2015**	**265,000**	**1,506**	**559,789**	**–**	**39,750**	**866,045**
	2014	265,000	1,771	640,800	–	39,750	947,321
DE Alfano[5]	**2015**	**141,862**	**10,152**	**815,649**	**–**	**4,256**	**971,919**
	2014	132,882	8,130	623,265	–	3,986	768,263
JL Wilkinson[6]	**2015**	**180,000**	**–**	**83,536**	**–**	**18,000**	**281,536**
	2014	180,000	45,656	103,194	–	17,982	346,832
B AL-Rehany[7]	**2015**	**219,171**	**1,006**	**240,082**	**–**	**6,915**	**467,174**
	2014	231,740	1,096	357,896	–	6,191	596,923
Total executive directors	**2015**	**1,487,396**	**21,129**	**5,814,766**	**–**	**138,738**	**7,462,029**
	2014	1,606,685	63,027	7,153,926	–	153,581	8,977,219
Non-executive directors							
The Viscount Rothermere	**2015**	**30,000**	**–**	**–**	**–**	**–**	**30,000**
	2014	30,000	–	–	–	–	30,000
Sir Patrick Sergeant	**2015**	**30,000**	**–**	**–**	**–**	**–**	**30,000**
	2014	30,000	–	–	–	–	30,000
JC Botts	**2015**	**36,500**	**–**	**–**	**–**	**–**	**36,500**
	2014	36,500	–	–	–	–	36,500
MWH Morgan	**2015**	**30,000**	**–**	**–**	**–**	**–**	**30,000**
	2014	30,000	–	–	–	–	30,000
DP Pritchard	**2015**	**36,500**	**–**	**–**	**–**	**–**	**36,500**
	2014	36,500	–	–	–	–	36,500
ART Ballingal	**2015**	**30,000**	**–**	**–**	**–**	**–**	**30,000**
	2014	30,000	–	–	–	–	30,000
TP Hillgarth	**2015**	**30,000**	**–**	**–**	**–**	**–**	**30,000**
	2014	30,000	–	–	–	–	30,000
Total non-executive directors	**2015**	**223,000**	**–**	**–**	**–**	**–**	**223,000**
	2014	223,000	–	–	–	–	223,000
Total 2015		**1,710,396**	**21,129**	**5,814,766**	**–**	**138,738**	**7,685,029**
Total 2014		1,829,685	63,027	7,153,926	–	153,581	9,200,219

Directors' Remuneration Report

Annual report on remuneration continued

- Salaries and fees include basic salaries and any non-executive directors' fees. Salaries are reviewed in April each year. None of the executive directors received a salary increase in 2015. Differences in salaries between 2014 and 2015 reflect currency movements for those executive directors based outside the UK.
- Benefits include private healthcare and costs in relation to private pension schemes.
- Pension amounts are those contributed by the company to pension schemes or cash amounts paid in lieu of pension contributions.
- Profit shares are calculated as follows:

1. PR Ensor receives a profit share based on the adjusted pre-tax post non-controlling interests' profit of the group. The profit share is calculated by applying a multiplier of 2.97% (2014: 2.97%) to the adjusted pre-tax profits. In addition, PR Ensor is entitled to 1.11% (2014: 1.11%) of adjusted pre-tax profit in excess of a threshold of £44,988,722 (2014: £42,846,402).
2. CHC Fordham receives a profit share linked to the growth in the group's adjusted pre-tax EPS above a base pre-tax EPS. This base EPS increases by 5% a year and he receives £24,500 for every 1 pence increase in EPS above the base. For 2015, his base EPS was 74.45 pence (2014: 70.9 pence) and the adjusted pre-tax EPS was 81.1 pence (2014: 90.5 pence).
3. NF Osborn receives a profit share linked to the operating profits of the businesses he manages at a rate of 2.5% on profits to £1m, 4% on the next £1m, 5.5% on the next £1 million and 7% on profits in excess of £3m.
4. CR Jones receives a profit share linked to the growth in adjusted pre-tax EPS of the group. A sum of £500 is payable for every percentage point that the adjusted pre-tax EPS is above 11 pence and an additional sum of £800 is payable for every percentage point that the adjusted pre-tax EPS is above 20 pence.
5. DE Alfano receives a profit share linked to the operating profits of the businesses she manages at a rate of 1% on profits between US$402,116 and US$727,116, and a rate of 6.5% on profits above US$727,116. Her profit share on acquisitions she manages is at a rate of 5% of profits above a threshold.
6. JL Wilkinson receives a profit share linked to the operating profits of the businesses she manages at a rate of 5% of profits above a threshold of £1m. In 2014, the benefits figure for JL Wilkinson included £41,837 of New York housing allowance. In 2014, JL Wilkinson returned to London and no longer receives a housing allowance.
7. B AL-Rehany receives a profit share linked to the operating profits of the businesses he manages at a rate of 5% of profits above a threshold. This threshold increases by 10% per annum.

Information relating to certain targets, performance of individual businesses and adjustments to profit are considered to be commercially sensitive and the group do not believe it to be appropriate to disclose now or in the future.

NON-EXECUTIVE DIRECTORS

Each non-executive director receives a base fee for services to the board of £30,000 (2014: £30,000) with an additional fee of £6,500 (2014: £6,500) payable to the chairs of the remuneration and audit committees.

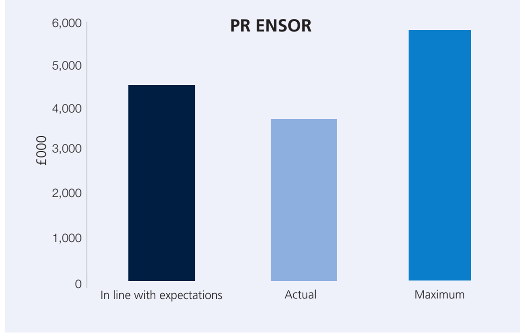
INFORMATION NOT SUBJECT TO AUDIT

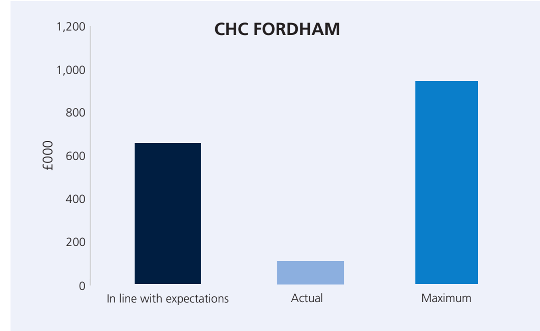
External appointments

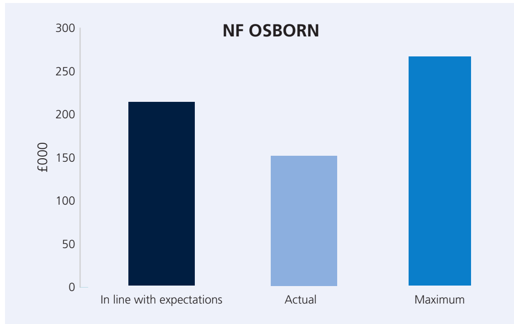
PR Ensor is an external member of the Finance Committee of Oxford University Press. During the year he retained earnings of £20,000 (2014: £20,000) from this role. This amount has not been included in his single figure of remuneration on page 57.

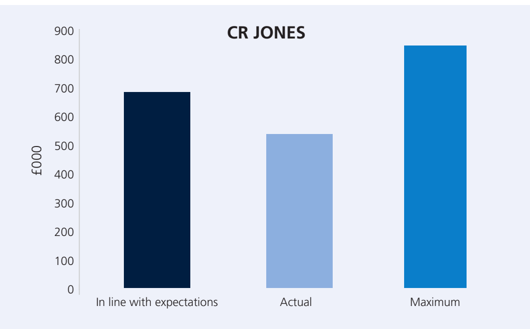
NF Osborn serves as an advisor to the boards of both DMG Events and dmgi, fellow group companies, for which he received a combined fee of US$18,600 (2014: US$23,638). These amounts have not been included in his single figure of remuneration on page 57.

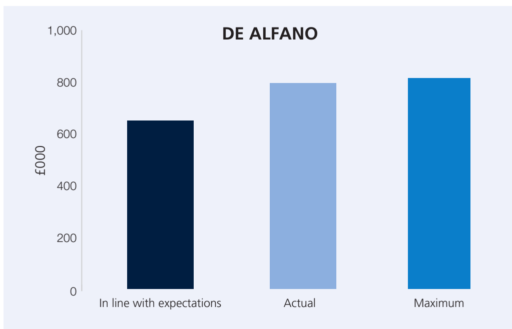
Profit share performance against expectations for the executive directors under the company's remuneration policy for FY2015 are set out below. These charts show, for each director, the profit share expected at the beginning of the year based on the group's FY2015 forecast, the actual profit share and an estimate of the maximum profit share for FY2015. The maximum profit share was calculated assuming that profits were 20% higher than the FY2015 forecast, although profit shares have no ceiling.

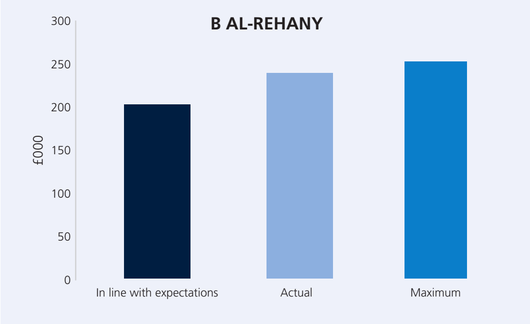










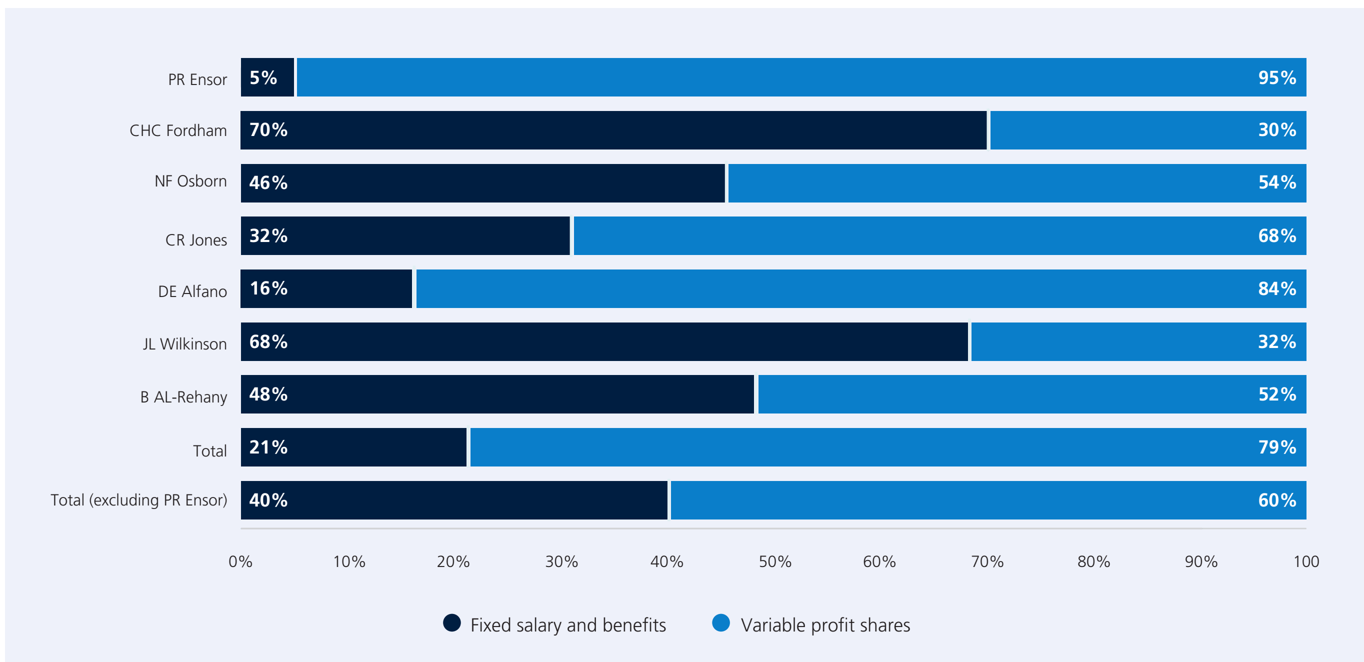


Directors' Remuneration Report

Annual report on remuneration continued

VARIABLE PAY

Of the total remuneration of the seven executive directors who served in the year, 79% was derived from variable profit shares, as illustrated in the following chart:



COMPANY SHARE SCHEMES

Details of each director's share options can be found on pages 63 to 64.

CAPITAL APPRECIATION PLAN 2014 (CAP 2014)

CAP 2014 was approved by shareholders at the AGM on January 30 2014 as a direct replacement for CAP 2010.

Awards under CAP 2014 were granted in June 2014 to approximately 250 directors and senior employees who have direct and significant responsibility for the profits of the group. Each CAP 2014 award comprises two equal elements: an option to subscribe for ordinary shares of 0.25 pence each in the company; and a right to receive a cash payment. No individual could receive an award over more than 5% of the award pool. In accordance with the terms of CAP 2014, no consideration was payable for the grant of the awards.

The value of awards received by a participant is directly linked to the growth in profits over the performance period of the businesses for which the participant is responsible. Where there is no growth, no awards are allocated, whereas participants whose businesses grow the most will receive the highest proportion of the award.

The award pool comprises a maximum of 3.5m ordinary shares and cash of £7.6m, limiting the total accounting cost of the scheme to £41m over its life. Awards will vest in three equal tranches, subject to the performance conditions, and lapse to the extent unexercised by September 30 2023.

Vesting

The first tranche will vest on satisfaction of the primary performance condition, but no earlier than February 2017.

The second tranche will vest in the February following the initial vesting year in which the following conditions ('subsequent conditions') are satisfied:

a. Adjusted pre-tax profits[1] for that financial year equals or exceeds:

    i. if the primary performance condition is satisfied, the primary target plus the percentage growth in RPI from the start of the initial vesting year to the start of the relevant financial year; or

    ii. if the primary performance condition is not met but the secondary performance condition is met, the adjusted pre-tax profits[1] for the financial year ending September 30 2017 plus the growth in RPI from October 1 2016 to the start of the relevant financial year; and

b. the contribution to growth of that participant does not fall by more than 20% of that made in the initial vesting year.

The third tranche will vest in the financial year following the second vesting year in which the subsequent conditions are satisfied.

Performance conditions

The **primary performance condition** requires the group to achieve adjusted pre-tax profits[1] of £173.6m, from a 2013 base profit of £118.6m, by no later than the financial year ending September 30 2017. Following the acquisition of Mining Indaba in 2014, this profit target was increased to £178.4m.

The performance target for CAP 2014 requires the group to generate profit growth of at least 10% a year (or RPI plus 5%, whichever is higher) over a four year period from a base of profits achieved in 2013.

If the primary performance condition is not met during the performance period, the awards will lapse at the end of the last financial year of the performance period unless adjusted pre-tax profits[1] are at least 84.9% of the primary target. This is known as the **secondary performance condition**. If the secondary performance condition is met, the number of ordinary shares and cash in the award pool will be reduced in accordance with the table below to reflect the extent to which the adjusted pre-tax profits[1] have fallen short of the primary target.

Adjusted pre–tax profits[1] as a % of the primary target	% reduction in the award pool
100	0
95.7	2
94.2	6
93.1	10
91.5	17.3
88.2	37.1
84.9	67

If the secondary performance condition is met in the financial year ended September 30 2017 and the adjusted pre-tax profits[1] in the financial year ended September 30 2018 and/or 2019 exceeds the adjusted pre-tax profits[1] for 2017 then an additional number of ordinary shares and cash will be allocated to the award pool. The number of ordinary shares and the amount of cash will be equal to one-third of that which would have been included in the award pool for 2017 if the adjusted pre-tax profits had been equal to 2018 and/or 2019.

COMPANY SHARE OPTION PLAN 2014 (CSOP 2014)

Shareholders approved the CSOP 2014 at the AGM on January 30 2014. The CSOP 2014 was approved by HMRC on March 31 2014.

Awards were granted under the CSOP 2014 on June 20 2014 to approximately 150 UK and Canadian directors and senior employees of the group who have direct and significant responsibility for the profits of the group. Each CSOP 2014 option enables each UK participant to purchase up to 2,688 shares and each Canadian participant to purchase up to 8,963 shares in the company at a price of £11.16 per share, the market value at the date of grant. No consideration was payable for the grant of these awards. The options vest and become exercisable at the same time as the corresponding share award under the CAP 2014.

The CSOP 2014 has the same performance criteria as CAP 2014. The number of CSOP 2014 awards that vest proportionally reduce the number of shares that vest under the CAP 2014. The CSOP is effectively a delivery mechanism for part of the CAP 2014 award. The CSOP 2014 options have an exercise price of £11.16, which will be satisfied by a funding award mechanism which results in the net gain[2] on these options being delivered in the equivalent number of shares to participants as if the same gain had been delivered using CAP 2014 options. The amount of the funding award will depend on the company's share price at the date of exercise.

The fair value per option granted and the assumptions used to calculate its value are set out in note 23.

Directors' Remuneration Report

Annual report on remuneration continued

CAPITAL APPRECIATION PLAN 2010 (CAP 2010)

CAP 2010 was approved by shareholders at the AGM on January 21 2010 as a direct replacement for CAP 2004. Each CAP 2010 award comprised two equal elements: an option to subscribe for ordinary shares of 0.25p each in the company at an exercise price of 0.25p per ordinary share; and a right to receive a cash payment. No consideration was payable for the grant of the awards.

The award pool comprised 3,500,992 ordinary shares with an option value (calculated at date of grant using an option pricing valuation model) of £15m, and cash of £15m, limiting the total accounting cost of the scheme to £30m over its life. Awards vested in two equal tranches. The first tranche became exercisable in February 2013 on satisfaction of the primary performance condition in 2012. The second tranche became exercisable in February 2014 when the primary performance condition was again satisfied in 2013. The vesting of the second tranche was subject to an additional performance condition which required the profits of each business in the subsequent vesting period be at least 75% of that achieved in the year the first tranche of awards become exercisable. The options lapse to the extent unexercised by September 30 2020.

The number of options received under the share award of CAP 2010 was reduced by the number of options vesting from the Company Share Option Plan 2010 (see below and note 23).

The fair value per option granted and the assumptions used to calculate its value are set out in note 23.

COMPANY SHARE OPTION PLAN 2010 (CSOP 2010)

Shareholders approved the CSOP 2010 at the AGM on January 21 2010. The CSOP 2010 plan was approved by HM Revenue and Customs on June 21 2010.

Each CSOP 2010 option enabled each participant to purchase up to 4,972[3] shares in the company at a price of £6.03[3] per share, the market value at the date of grant. No consideration was payable for the grant of these awards. Any CSOP options that did not fully vest in the first tranche of the CAP 2010 award vested at the same time as the second tranche of an individual's CAP award, but only where the CSOP 2010 is in the money.

The CSOP 2010 had the same performance criteria as CAP 2010 as set out above. The number of CSOP 2010 awards that vested proportionally reduced the number of shares that vested under the CAP 2010. The CSOP was effectively a delivery mechanism for part of the CAP 2010 award. The CSOP 2010 options had an exercise price of £6.03[3], which was satisfied by a funding award mechanism which results in the net gain[2] on these options being delivered in the equivalent number of shares to participants as if the same gain had been delivered using CAP 2010 options. The amount of the funding award depended on the company's share price at the date of exercise.

The fair value per option granted and the assumptions used to calculate its value are set out in note 23.

SAYE

The group operates a save as you earn scheme in which all employees, including directors, employed in the UK are eligible to participate. Participants save a fixed monthly amount of up to £500 for three years and are then able to buy shares in the company at a price set at a 20% discount to the market value at the start of the savings period. In line with market practice, no performance conditions attach to options granted under this plan. NF Osborn participated in this scheme during the year, details of which can be found on page 63 of this report.

DMGT SIP

DMGT, the group's parent company, operates a share incentive plan in which all UK-based employees of the Euromoney group can participate. Employees can contribute up to £150 a month from their gross pay to purchase DMGT 'A' shares. These shares are received tax free by the employee after five years. The executive directors who participated in this scheme during the year were PR Ensor and CR Jones, details of which can be found on page 65 of this report.

1. Adjusted pre-tax profits are presented before the impact of amortisation of acquired intangible assets, exceptional items, and movements in deferred consideration and acquisition commitments, and the cost of the CAP itself.
2. The net gain on the CSOP options is the market price of the company's shares at the date of exercise less the exercise price multiplied by the number of options exercised.
3. The Canadian version of the CSOP 2010 had a grant date of March 2010 and an exercise price of £5.01, the market value of the company's shares at the date of grant, and enabled each Canadian participant to purchase up to 19,960 shares in the company.

INFORMATION SUBJECT TO AUDIT
DIRECTORS' SHARE OPTIONS

	At start of year	Granted during year	Exercised during year	At end of year	Exercise price	Date from which exercisable	Expiry date
PR Ensor (retired September 30 2015)	1,810	–	(1,810)	– *	£4.97	Feb 1 2015	Aug 1 2015
	1,810	–	(1,810)	–			
CHC Fordham	1,408	–	–	1,408 §	£6.39	Feb 1 2016	Aug 1 2016
	20,167	–	–	20,167 ^	£0.0025	Performance criteria not satisfied	Sep 30 2023
	2,688	–	–	2,688 †	£11.16	Performance criteria not satisfied	Sep 30 2023
	24,263	–	–	24,263			
NF Osborn	1,810	–	(1,810)	– *	£4.97	Feb 1 2015	Aug 1 2015
	1,340	–	–	1,340 †	£11.16	Performance criteria not satisfied	Sep 30 2023
		1,104	–	1,104 ¥	£8.15	Feb 1 2018	Aug 1 2018
	3,150	1,104	(1,810)	2,444			
CR Jones	14,457	–	–	14,457 ^	£0.0025	Performance criteria not satisfied	Sep 30 2023
	2,688	–	–	2,688 †	£11.16	Performance criteria not satisfied	Sep 30 2023
	17,145	–	–	17,145			
DE Alfano	28,020	–	–	28,020 ^	£0.0025	Performance criteria not satisfied	Sep 30 2023
	28,020	–	–	28,020			
JL Wilkinson	2,059	–	–	2,059	£0.0025	Performance criteria not satisfied	Sep 30 2020
	7,954	–	–	7,954 ^	£0.0025	Performance criteria not satisfied	Sep 30 2023
	2,688	–	–	2,688 †	£11.16	Performance criteria not satisfied	Sep 30 2023
	12,701	–	–	12,701			
B AL-Rehany	16,964	–	–	16,964 ^	£0.0025	Performance criteria not satisfied	Sep 30 2023
	8,963	–	–	8,963 †	£11.16	Performance criteria not satisfied	Sep 30 2023
	25,927	–	–	25,927			
Total	**113,016**	**1,104**	**(3,620)**	**110,500**			

* Issued under the Euromoney Institutional Investor PLC SAYE scheme 2012.

§ Issued under the Euromoney Institutional Investor PLC SAYE scheme 2013.

¥ Issued under the Euromoney Institutional Investor PLC SAYE scheme 2014.

‡ Options granted relate to the true-up to the funding awards outstanding from tranche 2 of CAP 2010 which vested on February 13 2014. The number of such options granted was provisional last year and was trued-up to reflect the share price on the date of vesting.

† The number of options granted under CSOP 2014 to each director will vest at the same time as the corresponding share award under CAP 2014 providing the CSOP 2014 is in the money at the time. If the option is not in the money at the time of vesting of the corresponding CAP 2014 award it continues to subsist and will vest at the same time as the second or third tranche of the CAP 2014 share award.

The market price of the company's shares on September 30 2015 was £9.50. The high and low share prices during the year were £12.61 and £9.41 respectively. There were 1,104 options granted during the year (2014: 105,925).

Directors' Remuneration Report

Annual report on remuneration continued

DIRECTORS' CASH SETTLED OPTIONS

Under the terms of CAP 2010 and CAP 2014, the directors have been granted the following cash awards:

	At start of year £	Granted during year £	Exercised during year £	At end of year £	Date from which entitled
CHC Fordham	49,461	–	–	49,461 ^	Performance criteria not satisfied
NF Osborn	2,900	–	–	2,900 ^	Performance criteria not satisfied
CR Jones	37,105	–	–	37,105 ^	Performance criteria not satisfied
DE Alfano	60,640	–	–	60,640 ^	Performance criteria not satisfied
JL Wilkinson	8,824	–	–	8,824	Performance criteria not satisfied
JL Wilkinson	23,031	–	–	23,031 ^	Performance criteria not satisfied
B AL-Rehany	56,109	–	–	56,109 ^	Performance criteria not satisfied
	238,070	**–**	**–**	**238,070**	

The cash settled options lapse four months after the preliminary announcement of the group's results for the financial year in which the performance conditions are met (see note 23).

^ The number of options and amount of cash award granted under CAP 2014 to each director is provisional and based on the performance of the respective directors' individual businesses up to the end of the performance period (September 2017). As such the actual number of options and amount of cash award issued is likely to be different to the amount disclosed. The percentage of awards that would vest if the minimum performance test was satisfied is 33%. The number of options received under the share award of the CAP 2014 is reduced by the number of options vesting with participants from the CSOP 2014. The share options awarded under CAP 2014 have a face value of £10.77 per option on the date of grant June 20 2014.

DIRECTORS' OPTIONS EXERCISED DURING THE YEAR

The aggregate gain made by the directors on the exercise of share options in the year was £19,440 (2014: £1,441,411) as follows:

	Number of options exercised	Date of exercise	Market price on date of exercise	Gain on exercise	Number of shares retained
PR Ensor (retired September 30 2015)	1,810	Feb 6 2015	£10.34	£9,720	1,810
NF Osborn	1,810	Feb 6 2015	£10.34	£9,720	–
	3,620			**£19,440**	**1,810**

DIRECTORS' INTERESTS IN THE COMPANY

The interests of the directors in the shares of the company as at September 30 were as follows:

	Ordinary shares of 0.25p each	
	2015	2014
Executive directors		
PR Ensor (retired September 30 2015)	**145,368**	194,529
CHC Fordham	**179,971**	179,971
NF Osborn	**31,354**	31,354
CR Jones	**192,000**	192,000
DE Alfano	**78,006**	78,006
JL Wilkinson	**37,922**	89,430
B AL-Rehany	**31,844**	32,844
Non-executive directors		
The Viscount Rothermere	**–**	24,248
Sir Patrick Sergeant	**165,304**	165,304
JC Botts	**15,503**	15,503
MWH Morgan	**7,532**	7,532
DP Pritchard	**–**	–
ART Ballingal	**–**	–
TP Hillgarth	**–**	–
	884,804	1,010,721
Non-beneficial		
Sir Patrick Sergeant	**20,000**	20,000

Each of the executive directors held shares with a value in excess of 100% of salary throughout the year, in accordance with the policy for directors holding equity in the company. This policy ceases to apply on termination of a director's service contract.

INFORMATION NOT SUBJECT TO AUDIT
DIRECTORS' INTERESTS IN DAILY MAIL AND GENERAL TRUST PLC

The interests of the directors, to be disclosed under chapter 9.8.6 of the Listing Rules, in the shares of Daily Mail and General Trust plc as at September 30 were as follows:

	Ordinary shares of 12.5p each		'A' ordinary non-voting shares of 12.5p each	
	2015	2014	**2015**	2014
The Viscount Rothermere[1]	**19,890,364**	19,890,364	**61,958,863**	64,758,863
PR Ensor (retired September 30 2015)	**–**	–	**1,544**	1,318
CR Jones	**–**	–	**1,523**	1,271
Sir Patrick Sergeant	**–**	–	**36,000**	36,000
MWH Morgan[1]	**–**	–	**1,247,880**	1,243,403

[1] The figures in the table above include 'A' shares awarded to executives under the DMGT Executive Bonus Scheme.

The Viscount Rothermere had non-beneficial interests as a trustee at September 30 2015 in 4,880,000 'A' ordinary non-voting shares of 12.5 pence each (2014: 5,540,000 shares).

Daily Mail and General Trust plc has been notified that, under section 824 of the Companies Act 2006 and including the interests shown in the table above, The Viscount Rothermere is deemed to have been interested in 19,890,364 ordinary shares of 12.5 pence each (2014: 19,890,364 shares).

Directors' Remuneration Report

Annual report on remuneration continued

At September 30 2015 and September 30 2014, The Viscount Rothermere was beneficially interested in 756,700 ordinary shares of Rothermere Continuation Limited, the company's ultimate parent company.

The Viscount Rothermere and MWH Morgan had options over 427,680 and 185,666 respectively 'A' ordinary non-voting shares in Daily Mail and General Trust plc at September 30 2014 (2014: 487,680 and 201,396 options respectively). The exercise price of these options is £nil. Further details of these options are listed in the Daily Mail and General Trust plc annual report.

Since September 30 2015, PR Ensor and CR Jones each purchased, through the DMGT SIP scheme, 16 and 20 (2014: 32 and 32) additional 'A' ordinary non-voting shares in Daily Mail and General Trust plc respectively. There have been no other changes in the directors' interests since September 30 2015.

INFORMATION SUBJECT TO AUDIT
DIRECTORS' PENSIONS

Executive directors can participate in the Harmsworth Pension Scheme (a defined benefit scheme), the Euromoney Pension Plan (a money purchase plan) or their own private pension scheme. Further details of these schemes are set out in note 26 to the accounts. Pension contributions paid by the company on behalf of executive directors during the year were as follows:

	Cash alternative to pension scheme contribution 2015 £	**Euromoney Pension Plan 2015 £**	**Private schemes 2015 £**	**Total 2015 £**	Total 2014 £
PR Ensor (retired September 30 2015)	**22,918**	**–**	**–**	**22,918**	22,918
CHC Fordham	**–**	**37,500**	**–**	**37,500**	37,500
NF Osborn	**9,399**	**–**	**–**	**9,399**	9,399
DC Cohen (resigned September 30 2014)	**–**	**–**	**–**	**–**	15,855
CR Jones	**39,750**	**–**	**–**	**39,750**	39,750
DE Alfano	**–**	**–**	**4,256**	**4,256**	3,986
JL Wilkinson	**–**	**18,000**	**–**	**18,000**	17,982
B AL-Rehany	**–**	**–**	**6,915**	**6,915**	6,191
	72,067	**55,500**	**11,171**	**138,738**	153,581

The Harmsworth scheme is closed to new entrants; existing members still in employment can continue to accrue benefits in the scheme on a cash basis, with members using this cash account to purchase an annuity at retirement. Under the Harmsworth Pension Scheme, the following pension benefits were earned by the directors:

	Harmsworth Pension Scheme					
	Accrued annual pension at Sept 30 2015 £	**Pension cash accrual at Sept 30 2015 £**	**Transfer value at Sept 30 2015 £**	**Normal retirement date**	**Additional value of benefits if early retirement taken**	**Weighting of pension benefit value as shown in single figure table**
CR Jones	**46,700**	**65,200**	**902,000**	Aug 15 2025	none	Cash allowance: 100%

The accrued annual pension entitlement is that which would be paid annually on retirement based on service to September 30 2015 and ignores any increase for future inflation. The pension cash accrual represents the sum which would be available on retirement based on service to September 30 2015 to secure retirement benefits, ignoring any increase for future inflation. All transfer values have been calculated on the basis of actuarial advice in accordance with 'Retirement Benefit – Transfer Values (GN11)' published by the Board for Actuarial Standards. The transfer values of the accrued entitlement include the pension cash accrual and represent the value of assets that the pension scheme would need to transfer to another pension provider on transferring the scheme's liability in respect of the directors' pension benefits. They do not represent a sum paid or payable to individual directors and, therefore, cannot be added meaningfully to annual remuneration. The pension cash accrual has been included in the increase in transfer value (net of directors' contributions). Members of the scheme have the option of paying additional voluntary contributions. Neither the contributions nor the resulting benefits are included in the above table. The normal retirement age for the pension cash accrual element of the scheme is 65. The normal retirement age for the accrued benefits under the now closed element of the Harmsworth Pension Scheme is 62.

PAYMENTS TO PAST DIRECTORS

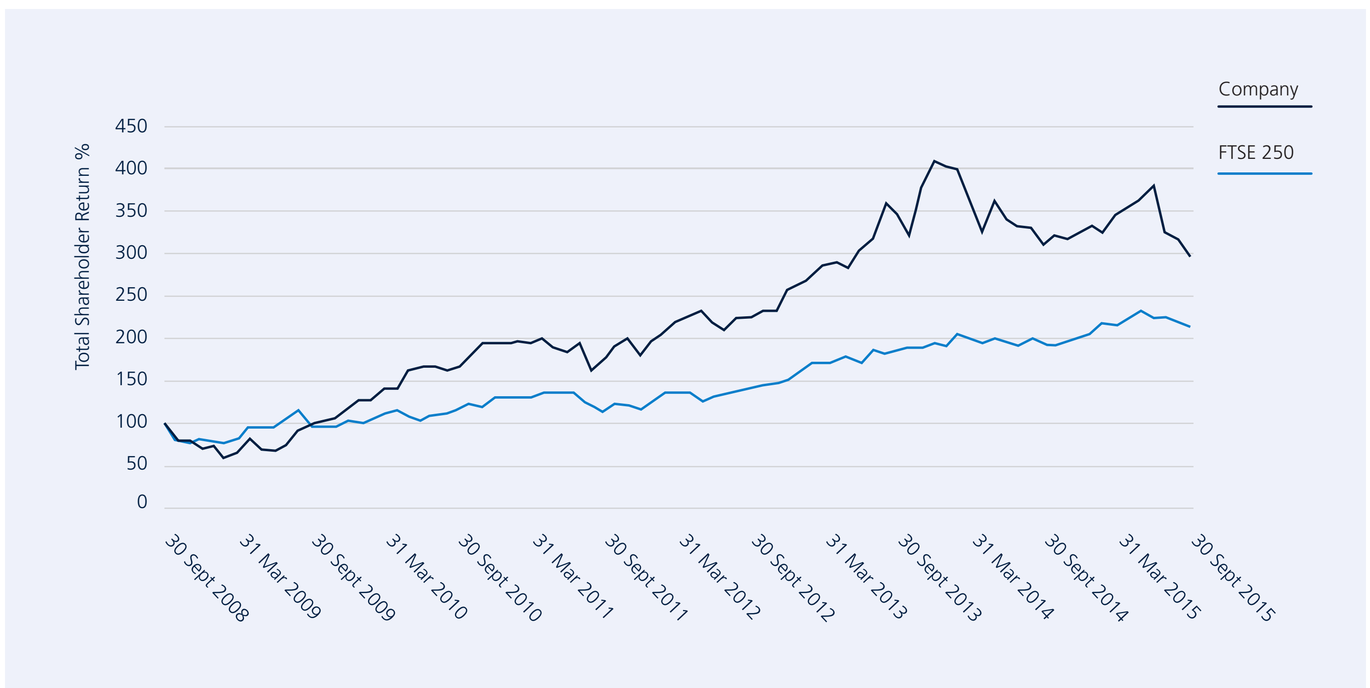
In April 2015 DC Cohen received £138,000 in respect of the profit share for the balance of his notice period.

PAYMENTS FOR LOSS OF OFFICE

There were no payments for loss of office made in the year.

INFORMATION NOT SUBJECT TO AUDIT
COMPARISON OF OVERALL PERFORMANCE AND REMUNERATION OF THE MANAGING DIRECTOR

The chart below compares the company's total shareholder return with the FTSE 250 index over the past seven financial years. For these purposes shareholder return represents the theoretical growth in value of a shareholding over a specific period, assuming that dividends are reinvested to purchase additional shares. The company is a constituent of the FTSE 250 index and, accordingly, this is considered to be an appropriate benchmark.



Directors' Remuneration Report

Annual report on remuneration continued

MANAGING DIRECTOR – SINGLE FIGURE OF REMUNERATION

CHC Fordham replaced PR Ensor as managing director on October 14 2012. The single figure of total remuneration for the managing director set out below includes salary, benefits, company pension contributions and long-term incentives as set out on page 57 of this report.

		Year on year % change	Single figure of total remuneration	Variable element (profit share)	Variable element (profit share) payout against maximum opportunity	Value of long-term incentive (share options) vesting in period	Maximum opportunity	Long-term incentive vesting rates against maximum opportunity
		%	£	£	%	£	£	%
2015	CHC Fordham	(36%)	575,706	161,700	17%	–	–	–
2014	CHC Fordham	(46%)	895,206	480,935	52%	–	–	–
2013	CHC Fordham	(66%)	1,647,267	648,025	58%	585,468	585,468	100%
2012	PR Ensor	10%	4,856,723	4,630,646	82%	26,640	26,640	100%
2011	PR Ensor	11%	4,396,681	4,201,414	82%	–	–	–
2010	PR Ensor	36%	3,976,660	3,787,355	82%	–	–	–
2009	PR Ensor	0%	2,916,771	2,508,665	81%	218,983	218,983	100%

The group's profit share scheme has no ceiling; the maximum annual variable element of remuneration was therefore calculated assuming that profits achieved had been 20% higher. From October 1 2015 this disclosure will be provided for A Rashbass as the group's CEO from November 18 2015.

PERCENTAGE CHANGE IN REMUNERATION OF THE MANAGING DIRECTOR

The table below illustrates the change in remuneration for the managing director compared with the change in remuneration of the average employee across the group at constant currency. The directors feel that this group of people is the most appropriate as a comparator because employee pay is determined annually by the remuneration committee at the same time as that of the managing director and under the same economic circumstances. The directors believe this demonstrates the best link between the changes in average remuneration compared to the managing director.

	% change 2014 to 2015		
	Salary	Benefits	Incentives
Managing director remuneration	–	(15.0%)	(66.4%)
Average employee	2.7%	13.3%	9.7%

Remuneration in the above table excludes long-term incentive payments and pension benefits.

RELATIVE IMPORTANCE OF SPEND ON PAY

The table below illustrates the company's spend on employee pay in comparison to profits and distributions to shareholders. These are deemed by the directors to be the significant distributions made during the year and will assist stakeholders in understanding the relative importance of spend on pay.

For this purpose, total employee pay includes salaries, profit shares and bonuses.

	2015 £m	2014 £m	% increase/ (decrease)
Total employee pay	**146.9**	141.1	4.1%
Dividends	**29.1**	28.8	1.0%
Adjusted profit before tax	**107.8**	116.2	(7.2%)

GENERAL MEETINGS – SHAREHOLDER VOTE OUTCOME

The first table below shows the binding shareholder vote on the 2014 remuneration report at the January 2015 AGM. The second table below shows the binding shareholder vote on the remuneration policy at the January 2015 AGM. The third table below shows the binding shareholder vote on the remuneration policy at the June 2015 general meeting.

The committee believes the 96.9% votes in favour of the remuneration report shows strong shareholder support for the company's remuneration arrangements. The committee consults with key investors prior to any major changes in its remuneration arrangements.

Votes for	%	Votes against	%	Abstentions
113,215,978	96.9%	3,617,152	3.1%	724,930

Votes for	%	Votes against	%	Abstentions
102,677,919	87.9%	14,155,606	12.1%	724,535

Votes for	%	Votes against	%	Abstentions
103,127,111	87.1%	15,212,519	12.9%	704,902

APPOINTMENTS AND RE-ELECTION

A Rashbass will stand for election as a director following his appointment to the board on October 1 2015. CR Jones and all non-executive directors will stand for re-election at the forthcoming AGM. All other directors will not seek re-election at the AGM.

OTHER RELATED PARTY TRANSACTIONS

NF Osborn serves as an advisor to the boards of both DMG Events and dmgi, fellow group companies, for which he received a combined fee of US$18,600 (2014: US$23,638).

IMPLEMENTATION OF THE REMUNERATION POLICY

For the year ending September 30 2016 the group intends to apply the remuneration policy as follows:

- Directors' salaries from October 1 2015 are as set out on page 57. These salaries will be reviewed in April 2016.
- Benefits will also be reviewed during the year although it is not anticipated that any significant changes will be made.
- The profit share arrangement for each director will be as described on page 58. Profit share thresholds are subject to review during the year. Changes to thresholds are made only where considered appropriate by the remuneration committee, taking into account the businesses that the respective director is responsible for, acquisitions and disposals, and the other factors stated in the group's policy. The thresholds for the year ending September 30 2016 will be disclosed in the 2016 report and accounts.
- Directors will continue to be able to participate in the pension schemes operated in the country in which they reside.

JOHN BOTTS
Chairman of the remuneration committee
December 14 2015

Independent Auditor's Report

to the members of Euromoney Institutional Investor PLC

REPORT ON THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion:

- Euromoney Institutional Investor PLC's group financial statements and company financial statements (the 'financial statements') give a true and fair view of the state of the group's and of the company's affairs as at September 30 2015 and of the group's profit and cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

WHAT WE HAVE AUDITED

The financial statements, included within the Annual Report and Accounts (the 'Annual Report'), comprise:

- the Consolidated Statement of Financial Position as at September 30 2015;
- the Company Balance Sheet as at September 30 2015;
- the Consolidated Income Statement and Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Cash Flows for the year then ended;
- the Consolidated Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and IFRSs as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

OUR AUDIT APPROACH

Overview

Materiality

Overall group materiality: £4.3m which represents 5% of profit before tax, adding back certain non-recurring items.

Audit scope

We conducted work in five key territories, being the UK, US, Canada, Australia and India. This included full scope audits at five components with specified procedures performed at a further five components.

Taken together, the components at which audit work has been performed accounted for approximately 78% of the group's revenue, 81% of the group's statutory profit before tax and 73% of the group's profit before tax, adding back certain non-recurring items.

Areas of focus

- Accounting for acquisitions and disposals
- Carrying value of goodwill and acquired intangibles
- Uncertain tax positions
- Share-based payments

The scope of our audit and our areas of focus

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK & Ireland)).

We designed our audit by determining materiality and assessing the risks of material misstatement in the group and company financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud, and the risk of fraud in revenue recognition. Procedures designed to address these risks included testing of material journal entries and post-close adjustments, testing and evaluating management's key accounting estimates for reasonableness and consistency, understanding and testing management incentive plans, undertaking cut-off procedures to ensure proper cut-off of revenue and expenses and testing the existence and accuracy of revenue transactions.

In light of this being our first year audit of the group, we also performed specific procedures over opening balances by shadowing the prior year audit undertaken by the previous auditors, reviewing the predecessor auditor working papers in the UK and in each of the group's significant territories and considering the key management judgements in the opening balance sheet at October 1 2014.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as areas of focus in the table below. We have also set out how we tailored our audit to address these specific areas in order to provide an opinion on the group and company financial statements as a whole. Any comments we make on the results of our procedures should be read in this context. This is not a complete list of all risks identified by our audit.

Areas of focus	How our audit addressed the area of focus
Accounting for acquisitions and disposals Refer to the audit committee report on pages 41 and 42 and to notes 13 and 14 in the Consolidated Financial Statements. The group continues to undertake material transactions with complex accounting implications. We focused on the two transactions in the year that had the biggest impact on the consolidated income statement as follows: Dealogic transaction In December 2014, the group sold its investment in Capital NET and Capital DATA for combined consideration of £54.2m, comprising £2.9m of cash, £13.5m of redeemable preference shares and a 15.5% minority stake in Diamond TopCo Limited (Dealogic) valued at £37.8m (together the 'Dealogic transaction'). We focused on the key accounting judgements taken by management in relation to this transaction, namely: • That the disposal and subsequent acquisition had commercial substance, meaning that a gain on disposal should be recognised, restricted in proportion to the 15.5% stake acquired in accordance with IAS 28; • That the investment in Dealogic should be accounted for as an associate on the basis of the group having significant influence; and • The calculation of the £48.4m profit on disposal of Capital NET and Capital DATA.	We obtained an understanding of the Dealogic transaction to verify that it had commercial substance. We obtained the calculation of the profit on disposal of Capital NET and Capital DATA. We agreed that the valuation of the Dealogic shares contributed as part consideration for the investments in Capital NET and Capital DATA was comparable to the price paid to acquire the majority stake. We considered the requirements of IAS 28 in circumstances where a non-monetary asset is exchanged for an equity interest in a new associate and the requirement to restrict any profit on disposal in proportion to the new equity stake obtained. We re-computed management's calculation for the element of profit restricted of £5.9m with reference to the signed sale and purchase agreements and the group's equity stake in Dealogic. We challenged management on the classification of the 15.5% equity stake in Dealogic as an associate and the extent to which the group is able to exert significant influence. We agreed the key terms of the transaction to the shareholders' agreement and articles of association, including shareholder voting rights of 20% and how these are enforceable, confirmed these facts with the company's external legal counsel and validated management's attendance and exercise of significant influence at board meetings. Based on the procedures performed, we determined that the accounting for the Dealogic transaction, including the calculation of the profit on disposal, was appropriate and in line with the requirements of IAS 28. Given the material and non-recurring nature of this transaction, we are satisfied that classification of the profit on disposal as an exceptional item is appropriate.
Centre for Investor Education (CIE) In April 2013, the group acquired a 75% equity interest in CIE with a put and call option over the remaining 25% stake. During the year, the group identified a number of governance and financial irregularities at CIE. As a result of these irregularities, a number of judgemental adjustments were made by management, namely: • To impair the group's acquired goodwill by £2.9m, leaving a remaining balance relating to CIE of £2.0m; and • To reverse the £3.5m acquisition commitment held at October 1 2014 relating to the put and call option over the remaining 25% equity stake and to derecognise the non-controlling interest in equity on the basis that payments already made by the company have fully settled all contractual obligations to the non-controlling shareholders. As a result, the consolidated financial statements reflect no non-controlling interest (NCI) ownership of CIE at September 30 2015 although 25% of the shares remain legally held by the NCI investors. We focused on this area as the eventual outcome of this matter is uncertain pending conclusion of ongoing legal proceedings and the positions taken by management are based on material judgements. Accordingly, unexpected adverse outcomes could impact the group's reported profit and financial position relating to CIE.	We engaged with management and with the group's external legal counsel through our half year and year-end procedures to understand the sequence of events at CIE and the latest position at year-end, including the commencement of legal proceedings in October 2015. We obtained management's goodwill impairment calculation which was revised to reflect the latest expectations of future performance and taking account of the impact of public announcements relating to the business. Deploying our valuations specialists, we tested the reasonableness of the key assumptions including cash flow forecasts, terminal value and discount rates, taking account of the re-based business plan since the minority shareholders were exited from business. We considered the timing of the impairment and the reversal of the acquisition commitment being recorded in the financial year ended September 30 2015. Through our discussions with the group's external legal counsel, we assessed the reasonableness of management's judgement that there is no further liability to the non-controlling shareholders in respect of the acquisition of the remaining 25% shareholding given amounts already paid for the group's 75% equity stake. We found that the judgements made by management were reasonable and that the disclosures made in respect of these adjustments were appropriate given the evidence we obtained.

Independent Auditor's Report

to the members of Euromoney Institutional Investor PLC continued

Areas of focus	How our audit addressed the area of focus
Carrying value of goodwill and acquired intangibles Refer to the audit committee report on page 42 and to note 11 in the Consolidated Financial Statements. The group has £523.8m of goodwill and intangible assets, including £141.8m of acquired intangibles and £382.0m of goodwill at September 30 2015. During the year, the group recognised an £18.5m impairment charge in relation to goodwill for CIE (£2.9m), HedgeFund Intelligence (HFI) (£4.8m) and Mining Indaba (£10.7m). The carrying values of goodwill and intangibles are contingent on future cash flows of the underlying cash generating units (CGU) and there is a risk that if these cash flows do not meet management's expectations that the assets will be impaired. This risk is increased in periods in which the group's trading performance does not meet expectations. The cash flow forecasts and related value in use calculations include a number of significant judgements and estimates including profit growth, cash conversion, terminal growth rate and discount rate. Changes in these assumptions have a significant impact on the headroom available in the impairment calculations.	Deploying our valuations specialists, we obtained management's goodwill impairment model and tested the reasonableness of key assumptions, including profit and cash flow growth, terminal values and the selection of discount rates. We agreed the underlying cash flows to board approved budgets and assessed how these budgets are compiled. We assessed the terminal growth rate and discount rate applied to each CGU by comparison to third party information, past performance, the group's cost of capital and relevant risk factors. We performed our own risk assessment by considering historical performance, forecasting accuracy and modelled headroom to highlight the CGUs with either a lower headroom or which are more sensitive to changes in key assumptions. We focused our attention on those businesses where headroom has decreased or where management has identified impairments, namely CIE, HFI, Mining Indaba and NDR. We performed our own sensitivity analysis to understand the impact of reasonable changes in the assumptions on the available headroom. We focused in particular on NDR which is more sensitive to change than other CGUs. We considered the need for additional sensitivity disclosures for this CGU as required by IAS 36 and we agree with management's decision to provide these additional disclosures for NDR in note 11 given that reasonably possible changes in the assumptions would give rise to an impairment. We checked for any additional impairment triggers in any other businesses through discussions with management, review of management accounts and board minutes and examining performance of recent acquisitions to identify under-performing businesses. As a result of our work, we determined that the impairment charge recognised in 2015 was appropriate. For those intangible assets, including goodwill, where management determined that no impairment was required and that no additional sensitivity disclosures should be given, we found that these judgements were supported by reasonable assumptions that would require significant downside changes before any additional material impairment was necessary.

Areas of focus	How our audit addressed the area of focus
Uncertain tax positions Refer to the audit committee report on page 42 and to note 8 in the Consolidated Financial Statements. The group operates in a complex multinational tax environment and there are open tax matters with the tax authorities, especially in the US and Canada. In addition, from time to time the group enters into transactions with complicated accounting and tax consequences, including the Dealogic transaction. Judgement is required in assessing the level of provisions needed in respect of uncertain tax positions.	Deploying our tax specialists, we evaluated and challenged management's judgements in respect of estimates of tax exposures and contingencies in order to assess the adequacy of the group's tax provisions. In understanding and evaluating management's judgements, we considered third party tax advice received by the group, the status of recent and current tax authority audits and enquiries, the outturn of previous claims, judgemental positions taken in tax returns and current year estimates and developments in the tax environment. In light of this being our first year audit of the group, we undertook an independent assessment of tax risks, including permanent establishment risks, in the group's most material markets (UK, US and Canada) and we have evaluated the appropriateness and completeness of related tax provisions. From the evidence obtained, we considered the level of provisioning to be acceptable in the context of the Consolidated Financial Statements taken as a whole. However, we noted that the assumptions and judgements that are required to formulate the provisions mean that the range of possible outturns is broad.
Share-based payments Refer to the audit committee report on page 42 and to note 23 in the Consolidated Financial Statements. The company operates a number of share-based payment schemes, the most significant of which is the Capital Appreciation Plan (CAP) for executives. The accounting for share-based payment arrangements requires judgement to be exercised in determining the fair value of the awards at the date of grant and, where the scheme is treated as cash settled, the value of the liability recognised on the balance sheet at each period end which may be based on expectations of future financial performance. The Capital Appreciation Plan 2014 (CAP 2014) was approved by shareholders in January 2014. The primary performance test under CAP 2014 requires the group to achieve an adjusted profit before tax of £178m (adjusted for the acquisition of Mining Indaba) by 2017. We have focused our attention on the key judgement taken in the year to reverse the cumulative CAP 2014 charge of £2.5m on the basis that the performance of the business is not expected to meet this performance test.	We challenged management and the directors on forecast trading performance through September 30 2017. We considered past performance and current trading and applied this experience to the forecast results. We agree with management's judgement to reverse the CAP 2014 charge that was originally booked in the year ended September 30 2014 and the appropriateness of the related disclosures in the Annual Report and Accounts.

Independent Auditor's Report

to the members of Euromoney Institutional Investor PLC continued

HOW WE TAILORED THE AUDIT SCOPE

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the geographic structure of the group, the accounting processes and controls and the industry in which the group operates.

The Consolidated Financial Statements are a consolidation of 176 reporting units, each of which is considered to be a component. We identified four reporting units in the US, Canada and UK that required an audit of their complete financial information due to size. We identified one further reporting unit in Australia that required an audit of its complete financial information due to risk characteristics. Specific audit procedures over significant balances and transactions were performed at a further five reporting units in the US, UK and India to give appropriate audit coverage. None of the reporting units not included in our group audit scope individually contributed more than 3% to consolidated revenue or 5% to profit before tax.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed at the reporting units by us, as the group engagement team, or component auditors within PwC UK and from other PwC network firms operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting units to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

We performed full scope audits in respect of Euromoney Trading Limited, Euromoney Global Limited, BCA Research, Inc. and Institutional Investor LLC which, in our view, were financially significant and required an audit of their complete financial information due to their size. In light of the financial and governance irregularities identified by management at the Centre for Investor Education Limited during the year, we accelerated the statutory audit to align with the group audit timetable and included this entity within our overall scope as a fifth full scope audit.

We performed specified procedures at Ned Davis Research, Inc. and Information Management Network LLC over revenue and receivables (including material accrued and deferred revenue balances), ISI India over cash, Tipall Limited over fixed assets and Euromoney Institutional Investor PLC over cash and other receivables. This ensured that sufficient and appropriate audit procedures were performed and sufficient audit coverage was achieved in respect of these areas.

In light of this being a first year audit, we visited our component teams in the US and Canada at both the half year and year-end, which included file reviews and attendance at key audit meetings with local management. We also had regular dialogue with component teams in Australia and India throughout the year.

The group consolidation, financial statement disclosures and corporate functions were audited by the group audit team. This included our work over goodwill and intangible assets, acquisitions and disposals, treasury, post-retirement benefits, share-based payments and tax.

Taken together, the components and corporate functions where we conducted audit procedures accounted for approximately 78% of the group's revenue, 81% of the group's statutory profit before tax and 73% of the group's profit before tax, adding back certain non-recurring items. This provided the evidence we needed for our opinion on the consolidated financial statements taken as a whole. This was before considering the contribution to our audit evidence from performing audit work at the group level, including disaggregated analytical review procedures, which covers certain of the group's smaller and lower risk components that were not directly included in our group audit scope.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall group materiality	£4.3m
How we determined it	5% of profit before tax (£123.3m), adjusted for non-recurring items, comprising: goodwill impairment (£18.5m); profit on disposal of property, plant and equipment (£4.2m); profit on disposal of associate (£2.9m); profit on disposal of available-for-sale investment (£45.5m); profit on disposal of business (£2.4m); restructuring and other exceptional costs (£3.2m); and long-term incentive credit (£2.5m).
Rationale for benchmark applied	The group's principal measure of earnings comprises adjusted operating profit, which adds back to statutory profit a number of items of income and expenditure including those detailed above. Management uses this measure as it believes that it eliminates the volatility inherent in non-recurring items. We have taken this measure into account in determining our materiality, except that we have not adjusted profit before tax to add back amortisation of acquired intangible assets as in our view this is a recurring item which does not introduce volatility to the group's earnings.
Component materiality	For each component in our audit scope, we allocate materiality that is less than our overall group materiality. The range of materiality allocated across components was between £97,500 and £3,870,000.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £200,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Going concern

Under the Listing Rules, we are required to review the Directors' Statement, set out on page 33, in relation to going concern. We have nothing to report having performed our review.

Under ISAs (UK & Ireland), we are also required to report to you if we have anything material to add or to draw attention to in relation to the Directors' Statement about whether they considered it appropriate to adopt the going concern basis in preparing the financial statements. We have nothing material to add or to draw attention to.

As noted in the Directors' Statement, the directors have concluded that it is appropriate to adopt the going concern basis in preparing the financial statements. The going concern basis presumes that the group has adequate resources to remain in operation, and that the directors intend it to do so, for at least one year from the date the financial statements were signed. As part of our audit, we have concluded that the directors' use of the going concern basis is appropriate.

However, because not all future events or conditions can be predicted, these statements are not a guarantee of the group's ability to continue as a going concern.

Independent Auditor's Report

to the members of Euromoney Institutional Investor PLC continued

OTHER REQUIRED REPORTING

CONSISTENCY OF OTHER INFORMATION

Companies Act 2006 opinion

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

ISAs (UK & Ireland) reporting

Under ISAs (UK & Ireland), we are required to report to you if, in our opinion: • Information in the Annual Report is: – materially inconsistent with the information in the audited financial statements; or – apparently materially incorrect based on, or materially inconsistent with, our knowledge of the group and company acquired in the course of performing our audit; or – otherwise misleading.	We have no exceptions to report.
The statement given by the directors on page 35, in accordance with provision C.1.1 of the UK Corporate Governance Code (the 'Code'), that they consider the Annual Report taken as a whole to be fair, balanced and understandable and provides the information necessary for members to assess the group's and company's performance, business model and strategy is materially inconsistent with our knowledge of the group and company acquired in the course of performing our audit.	We have no exceptions to report.
The section of the Annual Report on pages 40 and 41, as required by provision C.3.8 of the Code, describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee.	We have no exceptions to report.

THE DIRECTORS' ASSESSMENT OF THE PROSPECTS OF THE GROUP AND OF THE PRINCIPAL RISKS THAT WOULD THREATEN THE SOLVENCY OR LIQUIDITY OF THE GROUP

Under ISAs (UK & Ireland), we are required to report to you if we have anything material to add or to draw attention to in relation to:

• the directors' confirmation in the Annual Report, in accordance with provision C.2.1 of the Code, that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity.	We have nothing material to add or to draw attention to.
• the disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated.	We have nothing material to add or to draw attention to.
• the directors' explanation in the Annual Report, in accordance with provision C.2.2 of the Code, as to how they have assessed the prospects of the group, over what period they have done so and why they consider that period to be appropriate and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.	We have nothing material to add or to draw attention to.

Under the Listing Rules, we are required to review the directors' statement that they have carried out a robust assessment of the principal risks facing the group and the directors' statement in relation to the longer-term viability of the group, set out on page 21. Our review was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statements, checking that the statements are in alignment with the relevant provisions of the Code and considering whether the statements are consistent with the knowledge acquired by us in the course of performing our audit. We have nothing to report having performed our review.

ADEQUACY OF ACCOUNTING RECORDS AND INFORMATION AND EXPLANATIONS RECEIVED

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

DIRECTORS' REMUNERATION

Directors' Remuneration Report — Companies Act 2006 opinion

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Other Companies Act 2006 reporting

Under the Companies Act 2006, we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from these responsibilities.

Corporate governance statement

Under the Listing Rules, we are required to review the part of the Corporate Governance Statement relating to ten further provisions of the UK Corporate Governance Code. We have nothing to report having performed our review.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

OUR RESPONSIBILITIES AND THOSE OF THE DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 35, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

WHAT AN AUDIT OF FINANCIAL STATEMENTS INVOLVES

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 group's and 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

GILES HANNAM (SENIOR STATUTORY AUDITOR)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
December 14 2015

Consolidated Income Statement

for the year ended September 30 2015

	Notes	**2015 £000**	2014 £000
Total revenue	3	**403,412**	406,559
Operating profit before acquired intangible amortisation, long-term incentive credit/(expense) and exceptional items	3	**104,234**	119,809
Acquired intangible amortisation	11	**(17,027)**	(16,735)
Long-term incentive credit/(expense)	23	**2,490**	(2,367)
Exceptional items	5	**33,421**	2,630
Operating profit	3, 4	**123,118**	103,337
Share of results in associates and joint ventures	13	**(381)**	264
Finance income	7	**5,127**	1,546
Finance expense	7	**(4,579)**	(3,672)
Net finance income/(costs)	7	**548**	(2,126)
Profit before tax	3	**123,285**	101,475
Tax expense on profit	8	**(17,599)**	(25,610)
Profit for the year	3	**105,686**	75,865
Attributable to:			
Equity holders of the parent		**105,444**	75,264
Equity non-controlling interests		**242**	601
		105,686	75,865
Basic earnings per share	10	**83.42p**	59.49p
Diluted earnings per share	10	**83.38p**	59.15p
Adjusted basic earnings per share	10	**70.16p**	71.00p
Adjusted diluted earnings per share	10	**70.12p**	70.60p
Dividend per share (including proposed dividends)	9	**23.40p**	23.00p

A detailed reconciliation of the group's statutory results to the adjusted results is set out in appendix to the Chief Executive's Statement on page 6.

Consolidated Statement of Comprehensive Income

for the year ended September 30 2015

	2015 **£000**	2014 £000
Profit for the year	**105,686**	75,865
Items that may be reclassified subsequently to profit or loss:		
Change in fair value of cash flow hedges	**(5,000)**	(1,642)
Transfer of gains on cash flow hedges from fair value reserves to Income Statement:		
Foreign exchange gains in total revenue	**1,657**	990
Foreign exchange (losses)/gains in operating profit	**(375)**	164
Net exchange differences on translation of net investments in overseas subsidiary undertakings	**24,305**	(207)
Translation reserves recycled to Income Statement	**–**	(482)
Net exchange differences on foreign currency loans	**(8,788)**	(3,448)
Tax on items that may be reclassified	**581**	36
Items that will not be reclassified to profit or loss:		
Actuarial gains/(losses) on defined benefit pension schemes	**2,421**	(2,297)
Tax (charge)/credit on actuarial gains/losses on defined benefit pension schemes	**(484)**	459
Other comprehensive income/(expense) for the year	**14,317**	(6,427)
Total comprehensive income for the year	**120,003**	69,438
Attributable to:		
Equity holders of the parent	**119,429**	69,418
Equity non-controlling interests	**574**	20
	120,003	69,438

Consolidated Statement of Financial Position

as at September 30 2015

	Notes	2015 £000	2014 £000
Non-current assets			
Intangible assets			
Goodwill	11	**381,993**	383,934
Other intangible assets	11	**149,386**	161,509
Property, plant and equipment	12	**9,171**	16,924
Investment in associates	13	**32,437**	72
Investment in joint ventures	13	**30**	–
Available-for-sale investments	13	**5,835**	–
Deferred consideration	24	**258**	1,532
Deferred tax assets	21	**20**	–
Derivative financial instruments	18	**9**	179
		579,139	564,150
Current assets			
Trade and other receivables	15	**83,386**	67,424
Deferred consideration	24	**331**	354
Current income tax assets		**5,912**	6,470
Group relief receivable		**515**	613
Cash deposit with DMGT group company		**9,799**	–
Cash and cash equivalents (excluding bank overdrafts)		**8,889**	8,571
Derivative financial instruments	18	**1,313**	2,611
		110,145	86,043
Current liabilities			
Acquisition commitments	24	**–**	(2,088)
Deferred consideration	24	**–**	(10,389)
Trade and other payables	16	**(24,011)**	(25,532)
Current income tax liabilities		**(14,043)**	(9,125)
Accruals		**(55,743)**	(47,973)
Deferred income	17	**(112,129)**	(109,842)
Loan notes	19	**(267)**	(490)
Bank overdrafts		**(741)**	–
Derivative financial instruments	18	**(3,346)**	(1,322)
Provisions	20	**(835)**	(2,164)
		(211,115)	(208,925)
Net current liabilities		**(100,970)**	(122,882)
Total assets less current liabilities		**478,169**	441,268
Non-current liabilities			
Acquisition commitments	24	**(9,171)**	(11,277)
Other non-current liabilities		**(641)**	(804)
Preference shares		**(10)**	(10)
Committed loan facility with DMGT group company	19	**–**	(45,677)
Deferred tax liabilities	21	**(18,424)**	(19,101)
Net pension deficit	26	**(1,973)**	(4,787)
Derivative financial instruments	18	**(661)**	(385)
Provisions	20	**(2,345)**	(2,704)
		(33,225)	(84,745)
Net assets		**444,944**	356,523
Shareholders' equity			
Called up share capital	22	**320**	320
Share premium account		**102,557**	102,011
Other reserve		**64,981**	64,981
Capital redemption reserve		**8**	8
Own shares		**(21,582)**	(21,582)
Reserve for share-based payments		**37,169**	39,158
Fair value reserve		**(27,506)**	(22,259)
Translation reserve		**53,420**	36,706
Retained earnings		**228,823**	149,564
Equity shareholders' surplus		**438,190**	348,907
Equity non-controlling interests		**6,754**	7,616
Total equity		**444,944**	356,523

The accounts were approved by the board of directors on December 14 2015.

CHRISTOPHER FORDHAM
COLIN JONES
Directors

Consolidated Statement of Changes in Equity

for the year ended September 30 2015

	Share capital £000	Share premium account £000	Other reserve £000	Capital redemption reserve £000	Own shares £000	Reserve for share-based payments £000	Fair value reserve £000	Translation reserve £000	Retained earnings £000	Total £000	Non-controlling interests £000	Total equity £000
At September 30 2013	316	101,709	64,981	8	(74)	37,122	(20,216)	38,707	102,959	325,512	8,247	333,759
Profit for the year	–	–	–	–	–	–	–	–	75,264	75,264	601	75,865
Other comprehensive expense for the year	–	–	–	–	–	–	(2,043)	(2,001)	(1,802)	(5,846)	(581)	(6,427)
Total comprehensive income for the year	–	–	–	–	–	–	(2,043)	(2,001)	73,462	69,418	20	69,438
Exercise of acquisition commitments	–	–	–	–	–	–	–	–	176	176	(176)	–
Adjustment arising from change in non-controlling interest	–	–	–	–	–	–	–	–	44	44	114	158
Charge for share-based payments	–	–	–	–	–	2,036	–	–	–	2,036	–	2,036
Cash dividend paid	–	–	–	–	–	–	–	–	(28,771)	(28,771)	(589)	(29,360)
Own shares acquired	–	–	–	–	(21,508)	–	–	–	–	(21,508)	–	(21,508)
Exercise of share options	4	302	–	–	–	–	–	–	–	306	–	306
Tax relating to items taken directly to equity	–	–	–	–	–	–	–	–	1,694	1,694	–	1,694
At September 30 2014	320	102,011	64,981	8	(21,582)	39,158	(22,259)	36,706	149,564	348,907	7,616	356,523
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**105,444**	**105,444**	**242**	**105,686**
Other comprehensive income/(expense) for the year	**–**	**–**	**–**	**–**	**–**	**–**	**(5,247)**	**16,714**	**2,518**	**13,985**	**332**	**14,317**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**	**(5,247)**	**16,714**	**107,962**	**119,429**	**574**	**120,003**
Derecognition of non-controlling interest	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,079**	**1,079**	**(1,079)**	**–**
Adjustment arising from change in non-controlling interest	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(226)**	**(226)**	**82**	**(144)**
Credit for share-based payments	**–**	**–**	**–**	**–**	**–**	**(1,989)**	**–**	**–**	**–**	**(1,989)**	**–**	**(1,989)**
Cash dividend paid	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(29,064)**	**(29,064)**	**(439)**	**(29,503)**
Exercise of share options	**–**	**546**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**546**	**–**	**546**
Tax relating to items taken directly to equity	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(492)**	**(492)**	**–**	**(492)**
At September 30 2015	**320**	**102,557**	**64,981**	**8**	**(21,582)**	**37,169**	**(27,506)**	**53,420**	**228,823**	**438,190**	**6,754**	**444,944**

The investment in own shares is held by the Euromoney Employees' Share Ownership Trust (ESOT) and Euromoney Employee Share Trust (EEST). The EEST was incorporated in February 2014 to facilitate the purchase of shares for the Capital Appreciation Plan 2014. The trusts waived the rights to receive dividends. Interest and administrative costs are charged to the profit and loss account of the trusts as incurred.

	2015 Number	2014 Number
Euromoney Employees' Share Ownership Trust	**58,976**	58,976
Euromoney Employee Share Trust	**1,747,631**	1,747,631
Total	**1,806,607**	1,806,607
Nominal cost per share (p)	**0.25**	0.25
Historical cost per share (£)	**11.95**	11.95
Market value (£000)	**17,163**	18,337

The other reserve represents the share premium arising on the shares issued for the purchase of Metal Bulletin plc in October 2006.

Consolidated Statement of Cash Flows

for the year ended September 30 2015

	2015 £000	2014 £000
Cash flow from operating activities		
Operating profit	**123,118**	103,337
Acquired intangible amortisation	**17,027**	16,735
Licences and software amortisation	**2,680**	1,962
Depreciation of property, plant and equipment	**2,643**	2,908
Goodwill impairment	**18,458**	–
Profit on disposal of property, plant and equipment	**(4,168)**	(7)
Long-term incentive (credit)/expense	**(2,490)**	2,367
Profit on disposal of associate	**(2,921)**	–
Profit on disposal of available-for-sale investment	**(45,502)**	–
Profit on disposal of business (2014: includes recycled cumulative translation differences)	**(2,446)**	(6,834)
Impairment of carrying value of associate	**–**	444
Decrease in provisions	**(1,757)**	(1,326)
Operating cash flows before movements in working capital	**104,642**	119,586
Decrease/(increase) in receivables	**1,169**	(4,662)
Increase/(decrease) in payables	**3,641**	(4,765)
Cash generated from operations	**109,452**	110,159
Income taxes paid	**(13,670)**	(19,553)
Group relief tax paid	**(1,116)**	(2,927)
Net cash generated from operating activities	**94,666**	87,679
Investing activities		
Dividends received from associate	**123**	323
Interest received	**401**	242
Purchase of intangible assets	**(1,760)**	(3,236)
Purchase of property, plant and equipment	**(6,487)**	(3,105)
Proceeds from disposal of property, plant and equipment	**15,837**	10
Purchase of available-for-sale investments	**(5,835)**	–
Payment following working capital adjustment from purchase of subsidiary	**–**	(9)
Purchase of subsidiary undertaking, net of cash acquired	**–**	(58,001)
Proceeds from disposal of non-controlling interest	**–**	158
Proceeds from disposal of business	**40**	5,345
Purchase of associates and joint venture	**(934)**	–
Proceeds from disposal of associate and joint venture	**2,912**	–
Net cash from/(used) in investing activities	**4,297**	(58,273)
Financing activities		
Dividends paid	**(29,064)**	(28,771)
Dividends paid to non-controlling interests	**(439)**	(589)
Interest paid	**(904)**	(1,372)
Issue of new share capital	**546**	306
Payments to acquire own shares	**–**	(21,508)
Payment of acquisition deferred consideration	**(11,558)**	(2,849)
Purchase of additional interest in subsidiary undertakings	**(252)**	(369)
Redemption of loan notes	**(223)**	(538)
Loan (repaid to)/received with DMGT group company	**(56,735)**	23,916
Net cash used in financing activities	**(98,629)**	(31,774)
Net increase/(decrease) in cash and cash equivalents	**334**	(2,368)
Cash and cash equivalents at beginning of year	**8,571**	11,268
Effect of foreign exchange rate movements	**(757)**	(329)
Cash and cash equivalents at end of year	**8,148**	8,571

Cash and cash equivalents include bank overdrafts.

Note to the Consolidated Statement of Cash Flows

as at September 30 2015

Net cash/(debt)	**2015 £000**	2014 £000
At October 1	**(37,596)**	(9,937)
Net increase/(decrease) in cash and cash equivalents	**334**	(2,368)
Net decrease/(increase) in amounts owed to DMGT group company	**56,735**	(23,916)
Redemption of loan notes	**223**	538
Effect of foreign exchange rate movements	**(2,016)**	(1,913)
At September 30	**17,680**	(37,596)
Net cash/(debt) comprises:		
Cash at bank and in hand	**8,889**	8,571
Bank overdrafts	**(741)**	–
Total cash and cash equivalents	**8,148**	8,571
Cash deposit with DMGT group company	**9,799**	–
Committed loan facility with DMGT group company	**–**	(45,677)
Loan notes	**(267)**	(490)
Net cash/(debt)	**17,680**	(37,596)

Notes to the Consolidated Financial Statements

1 ACCOUNTING POLICIES

General information

Euromoney Institutional Investor PLC (the 'company') is a company incorporated in the United Kingdom (UK).

The group financial statements consolidate those of the company and its subsidiaries (together referred to as the 'group') and equity account the group's interest in associates and joint ventures. The parent company financial statements present information about the entity and not about its group.

The group financial statements have been prepared and approved by the directors in accordance with the International Financial Reporting Standards (IFRS) adopted for use in the European Union and, therefore, comply with Article 4 of the EU IAS Regulation. The company has elected to prepare its parent company financial statements in accordance with UK GAAP.

The loan (repaid to)/received from DMGT group company in the 2014 Consolidated Statement of Cash Flows has been re-presented to show the allowable netting of the drawdowns and repayment of amounts from a committed facility with DMGT group company.

The 2014 Consolidated Statement of Financial Position has been re-presented to reflect a reclassification to net down certain balances within trade receivables of £8.5m, accrued income of £3.9m and deferred income of £12.4m. This has a corresponding impact on the working capital movements in the Consolidated Statement of Cash Flows. This reclassification has no impact on the net assets or cash and cash equivalents.

Judgements made by the directors in the application of those accounting policies that have a significant effect on the financial statements, and estimates with a significant risk of material adjustment in the next year, are discussed in note 2.

(a) Relevant new standards, amendments and interpretations issued and applied in the 2015 financial year:

- IFRS 10 'Consolidated Financial Statements'. This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within consolidated financial statements. The amendments do not have an effect on these consolidated financial statements.
- IFRS 11 'Joint Arrangements' provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The amendments do not have an effect on these consolidated financial statements.
- IFRS 12 'Disclosure of Interests in Other Entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The amendments do not have a material impact on these consolidated financial statements.
- IAS 27 (revised) 'Separate Financial Statements (2011)' now contains requirements relating only to separate financial statements as the new IFRS 10 'Consolidated Financial Statements' addresses the requirements for consolidated financial statements. The amendments do not have an effect on these consolidated financial statements.
- IAS 28 (revised) 'Investments in Associates and Joint Ventures (2011)' includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11. The amendments do not have an effect on these consolidated financial statements.
- Amendments to IAS 32 'Offsetting Financial Assets and Financial Liabilities' provide clarification on the application of offsetting rules relating to financial assets and financial liabilities. The amendments do not have a significant effect on these consolidated financial statements.
- Amendments to IFRS 10, 11, and 12 on transition guidance clarify the 'date of initial application' in IFRS 10, and provide relief in IFRS 11 and 12 from the presentation or adjustment of comparative information for periods prior to the immediately preceding period. The amendments do not have a significant effect on these consolidated financial statements.
- Amendments to IFRS 10, IFRS 12 and IAS 27 on 'Consolidation for Investment Entities' define an investment entity and introduce an exception to consolidating particular subsidiaries for investment entities. The amendments do not have an effect on these consolidated financial statements.
- Amendments to IAS 36 on 'Recoverable Amount Disclosures for Non-financial Assets' remove certain disclosures of the recoverable amounts of CGUs. The application of these amendments has no material impact on the disclosures in these consolidated financial statements.
- Amendments to IAS 39 on 'Novation of Derivatives and Continuation of Hedge Accounting' provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The application of these amendments has not had any material impact on these consolidated financial statements.

(b) Relevant new standards, amendments and interpretations issued but effective subsequent to the year end:

- IFRS 9 'Financial Instruments' – not yet adopted by the EU
- IFRS 15 'Revenue from Contracts with Customers' – not yet adopted by the EU
- Amendments to IAS 38 on Intangible Assets
- Annual Improvements 2010-2012 Cycle
- Annual Improvements 2011-2013 Cycle
- Annual Improvements 2012-2014 Cycle

1 ACCOUNTING POLICIES *continued*

The directors are still assessing the impact of these standards but do not expect there to be a material impact on the financial statements of the group.

Basis of preparation

The accounts have been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. The accounting policies set out below have been applied consistently to all periods presented in these group financial statements. Having assessed the principal risks and the other matters discussed in connection with the viability statement, the directors consider it appropriate to adopt the going concern basis of accounting in preparing this Annual Report.

Basis of consolidation

(a) Subsidiaries

The consolidated accounts incorporate the accounts of the company and entities controlled by the company (its 'subsidiaries'). The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

The group uses the acquisition method of accounting to account for business combinations. The amount recognised as consideration by the group equates to the fair value of the assets, liabilities and equity acquired by the group plus contingent consideration (should there be any such arrangement). Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at acquisition. The group recognises any non-controlling interest in the acquiree at fair value.

To the extent the consideration (including the assumed contingent consideration) provided by the acquirer is greater than the fair value of the assets and liabilities, this amount is recognised as goodwill. Goodwill also incorporates the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the identifiable net assets acquired. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised as 'negative goodwill' directly in the Income Statement.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional asset and liabilities are recognised to reflect new information obtained about facts and circumstances that existed as of the date of the acquisition that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the group obtains complete information about facts and circumstances that existed as of the acquisition date and is a maximum of one year.

Partial acquisitions — control unaffected

Where the group acquires an additional interest in an entity in which a controlling interest is already held, the consideration paid for the additional interest is reflected within movements in equity as a reduction in non-controlling interests. No goodwill is recognised.

Step acquisitions — control passes to the group

Where a business combination is achieved in stages, at the stage at which control passes to the group, the previously held interest is treated as if it had been disposed of, along with the consideration paid for the controlling interest in the subsidiary. The fair value of the previously held interest then forms one of the components that is used to calculate goodwill, along with the consideration and the non-controlling interest less the fair value of identifiable net assets. The consideration paid for the earlier stages of a step acquisition, before control passes to the group, is treated as an investment in an associate.

(b) Transactions with non-controlling interests

Transactions with non-controlling interests in the net assets of consolidated subsidiaries are identified separately and included in the group's equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and its share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(c) Interests in joint ventures and associates

A joint venture is a contractual arrangement whereby the group and other parties undertake an economic activity that is subject to joint control, that is, when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

An associate is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The post-tax results of joint ventures and associates are incorporated in the group's results using the equity method of accounting. Under the equity method, investments in joint ventures and associates are carried in the Consolidated Statement of Financial Position at cost as adjusted for post-acquisition changes in the group's share of the net assets of the joint venture and associates, less any impairment in the value of the investment.

Notes to the Consolidated Financial Statements

continued

1 ACCOUNTING POLICIES *continued*

Losses of joint ventures and associates in excess of the group's interest in that joint venture or associate are not recognised. Additional losses are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

Any excess of the cost of acquisition over the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the joint venture or associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment.

Foreign currencies

Functional and presentation currency

The functional and presentation currency of Euromoney Institutional Investor PLC and its UK subsidiaries, other than Fantfoot Limited, Centre for Investor Education (UK) Limited and Redquince Limited is sterling. The functional currency of other subsidiaries, associates, joint ventures and available-for-sale investments is the currency of the primary economic environment in which they operate.

Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Gains and losses arising on foreign currency borrowings and derivative instruments, to the extent that they are used to provide a hedge against the group's equity investments in overseas undertakings, are taken to equity together with the exchange difference arising on the net investment in those undertakings. All other exchange differences are taken to the Income Statement.

On consolidation exchange differences arising from the translations of the net investment in foreign entities and borrowings and other currency instruments designated as hedges such as investments are taken to shareholders' equity. The group treats specific inter-company loan balances, which are not intended to be repaid in the foreseeable future, as part of its net investment.

Group companies

The Income Statements of overseas operations are translated into sterling at the weighted average exchange rates for the year and their balance sheets are translated into sterling at the exchange rates ruling at the balance sheet date. All exchange differences arising on consolidation are taken to equity. In the event of the disposal of an operation, the related cumulative translation differences are recognised in the Income Statement in the period of disposal.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation of property, plant and equipment is provided on a straight-line basis over their expected useful lives at the following rates per year:

Freehold land	do not depreciate
Freehold buildings	2%
Long-term leasehold premises	over term of lease
Short-term leasehold premises	over term of lease
Office equipment	11% – 33%

Intangible assets

Goodwill

Goodwill represents the excess of the fair value of purchase consideration over the net fair value of identifiable assets and liabilities acquired.

Goodwill is recognised as an asset at cost and subsequently measured at cost less accumulated impairment. For the purposes of impairment testing, goodwill is allocated to those cash generating units that have benefited from the acquisition. Assets are grouped at the lowest level for which there are separately identifiable cash flows. The carrying value of goodwill is reviewed for impairment at least annually or where there is an indication that goodwill may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, then the impairment loss is allocated first to reduce the carrying amount of the goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis. Any impairment is recognised immediately in the Income Statement and may not subsequently be reversed. On disposal of a subsidiary undertaking, the attributable amount of goodwill is included in the determination of the profit and loss on disposal.

Goodwill arising on foreign subsidiary investments held in the consolidated balance sheet are retranslated into sterling at the applicable period end exchange rates. Any exchange differences arising are taken directly to equity as part of the retranslation of the net assets of the subsidiary.

Goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous UK GAAP amounts having been tested for impairment at that date. Goodwill written off to reserves under UK GAAP before October 1 1998 has not been reinstated and is not included in determining any subsequent profit or loss on disposal.

Internally generated intangible assets

An internally generated intangible asset arising from the group's software and systems development is recognised only if all of the following conditions are met:

- An asset is created that can be identified (such as software or a website);
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

1 ACCOUNTING POLICIES *continued*

Internally generated intangible assets are recognised at cost and amortised on a straight-line basis over the useful lives from the date the asset becomes usable. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets

For all other intangible assets, the group initially makes an assessment of their fair value at acquisition. An intangible asset will be recognised as long as the asset is separable or arises from contractual or other legal rights, and its fair value can be measured reliably.

Subsequent to acquisition, amortisation is charged so as to write off the costs of other intangible assets over their estimated useful lives, using a straight-line or reducing balance method. These intangible assets are reviewed for impairment as described below.

These intangibles are stated at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation of intangible assets is provided on a reducing balance basis or straight-line basis as appropriate over their expected useful lives at the following rates per year:

Trademarks and brands	5 – 30 years
Customer relationships	1 – 16 years
Databases	1 – 22 years
Licences and software	3 – 5 years

Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets, other than goodwill, that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

Trade and other receivables

Trade receivables are recognised and carried at original invoice amount, less provision for impairment. A provision is made and charged to the Income Statement when there is objective evidence that the group will not be able to collect all amounts due in accordance to the original terms. More information on impairment is included in the impairment of financial assets section below.

Cash and cash equivalents

Cash and cash equivalents include cash, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less.

For the purpose of the Statement of Cash Flows, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

Financial assets

The group classifies its financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its assets on initial recognition and re-evaluates this designation at every reporting date. Financial assets in the following categories are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

Classification

Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

Available-for-sale (AFS) financial assets

AFS financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the date on which the group commits to purchase or sell the asset. All financial assets, other than those carried at fair value through profit or loss, are initially recognised at fair value plus transaction costs.

Financial assets at fair value through profit and loss

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss component of the Statement of Comprehensive Income. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss category' are included in the profit and loss component of the Statement of Comprehensive Income in the period in which they arise. Dividend income from assets, categorised as financial assets at fair value through profit or loss, is recognised in the profit and loss component of the Statement of Comprehensive Income as part of other income when the group's right to receive payments is established.

Notes to the Consolidated Financial Statements

continued

1 ACCOUNTING POLICIES *continued*

Loans and receivables

Loans and receivables are carried at amortised cost using the effective interest method.

Available-for-sale (AFS) financial assets

AFS financial assets are subsequently measured at fair value where it can be measured reliably. AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of financial assets

The group assesses at each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimate of future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

  i. adverse changes in the payment status of borrowers in the portfolio; and
  ii. national or local economic conditions that correlate with defaults on the assets in the portfolio.

The group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in the profit and loss component of the Statement of Comprehensive Income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If the asset's carrying amount is reduced, the amount of the loss is recognised in the profit and loss component of the Statement of Comprehensive Income.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit and loss component of the Statement of Comprehensive Income.

Financial liabilities

Committed borrowings and bank overdrafts

Interest-bearing loans and overdrafts are recorded at the amounts received, net of direct issue costs. Direct issue costs are amortised over the period of the loans and overdrafts to which they relate. Finance charges, including premiums payable on settlement or redemption are charged to the Income Statement as incurred using the effective interest rate method and are added to the carrying value of the borrowings or overdraft to the extent they are not settled in the period in which they arise.

Trade payables and accruals

Trade payables and accruals are not interest-bearing and are stated at their fair value.

Derivative financial instruments

The group uses various derivative financial instruments to manage its exposure to foreign exchange and interest rate risks, including forward foreign currency contracts and interest rate swaps.

All derivative instruments are recorded in the Statement of Financial Position at fair value. The recognition of gains or losses on derivative instruments depends on whether the instrument is designated as a hedge and the type of exposure it is designed to hedge. The group designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
(b) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
(c) hedges of a net investment in a foreign operation (net investment hedge).

1 ACCOUNTING POLICIES *continued*

The full fair value of a hedging derivative is classified as a non-current asset or liability when the derivative matures in more than 12 months, and as a current asset or liability when the derivative matures in less than 12 months. Trading derivatives are classified as a current asset or liability.

Changes in the fair value of the derivative financial instruments that do not qualify for hedge accounting are recognised in the Income Statement as they arise.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The group only applies fair value hedge accounting for hedging fixed asset risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the Income Statement within 'finance costs'. The gain or loss relating to the ineffective portion is recognised in the Income Statement within 'operating profit'. Changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk are recognised in the Income Statement within 'finance costs'.

Cash flow hedge

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income within the Statement of Comprehensive Income. The ineffective portion of such gains and losses is recognised in the Income Statement immediately.

Amounts accumulated in equity are reclassified to the Income Statement in the periods when the hedged item is recognised in the Income Statement (for example when the forecast transaction that is hedged takes place).

The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the Income Statement accordingly, the gain or loss relating to the ineffective portion is recognised in the Income Statement immediately. However, whenever the forecast transaction that is hedged results in the recognition of a non-financial asset (for example fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in depreciation in the case of fixed assets.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

Net investment hedge

Hedges of net investments in foreign operations are accounted for in the same way as cash flow hedges.

Gains or losses on the qualifying part of net investment hedges are recognised in other comprehensive income together with the gains and losses on the underlying net investment. The ineffective portion of such gains and losses is recognised in the Income Statement immediately.

The group does not hedge the translation of the results of foreign subsidiaries and fluctuations in the value of sterling versus foreign currencies could materially affect the amount of these items in the consolidated financial statements, even if their values have not changed in their original currency. The group does endeavour to match foreign currency borrowings to investments in order to provide a natural hedge for the translation of the net assets of overseas subsidiaries.

Gains and losses accumulated in equity are transferred to the Income Statement when the foreign operation is partially disposed of or sold.

Liabilities in respect of acquisition commitments and deferred consideration

Liabilities for acquisition commitments over the remaining minority interests in subsidiaries and deferred consideration are recorded in the Statement of Financial Position at their estimated discounted present value. These discounts are unwound and charged to the Income Statement as notional interest over the period up to the date of the potential future payment.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

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.

Notes to the Consolidated Financial Statements
continued

1 ACCOUNTING POLICIES *continued*

Deferred taxation is calculated under the provisions of IAS 12 'Income Tax' and is recognised on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. No provision is made for temporary differences on unremitted earnings of foreign subsidiaries or associates where the group has control and the reversal of the temporary difference is not foreseeable.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited directly to Consolidated Statement of Comprehensive Income and equity, in which case the deferred tax is also dealt with in Consolidated Statement of Comprehensive Income and equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current assets and liabilities on a net basis.

Provisions

A provision is recognised in the balance sheet when the group has a present legal or constructive obligation as a result of a past event, and it is probable that economic benefits will be required to settle the obligation. If material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Pensions

Contributions to pension schemes in respect of current and past service, ex-gratia pensions, and cost of living adjustments to existing pensions are based on the advice of independent actuaries.

Defined contribution plans

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate non-group related entity. Payments to the Euromoney Pension Plan and the Metal Bulletin Group Personal Pension Plan, both defined contribution pension schemes, are charged as an expense as they fall due.

Multi-employer scheme

The group also participates in the Harmsworth Pension Scheme, a defined benefit pension scheme which is operated by Daily Mail and General Trust plc. As there is no contractual agreement or stated policy for charging the net defined benefit cost for the plan as a whole to the individual entities, the group recognises an expense equal to its contributions payable in the period and does not recognise any unfunded liability of this pension scheme on its balance sheet. In other words, this scheme is treated as a defined contribution plan.

Defined benefit plans

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The group operates the Metal Bulletin Pension Scheme, a defined benefit scheme. The liability recognised in the Statement of Financial Position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in full in the Statement of Comprehensive Income in the period in which they occur.

Past-service costs are recognised immediately in the Income Statement.

Share-based payments

The group makes share-based payments to certain employees which are equity and cash-settled. These payments are measured at their estimated fair value at the date of grant, calculated using an appropriate option pricing model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of the number of shares that will eventually vest. At the end of each period the vesting assumptions are revisited and the charge associated with the fair value of these options updated. For cash-settled share-based payments a liability equal to the portion of the services received is recognised at the current fair value as determined at each balance sheet date.

1 ACCOUNTING POLICIES *continued*

Revenue

Revenue represents income from advertising, subscriptions, sponsorship and delegate fees, net of value added tax.

- Advertising revenues are recognised in the Income Statement on the date of publication.
- Subscription revenues are recognised in the Income Statement on a straight-line basis over the period of the subscription. Subscription revenues contains certain items recognised on a cash basis including voting revenues where the amount paid by the customer is determined by a qualitative vote and paid in arrears for services rendered, and best efforts revenues where the payments for services rendered are uncertain until received.
- Sponsorship and delegate revenues are recognised in the Income Statement over the period the event is run.

Revenues invoiced but relating to future periods are deferred and treated as deferred income in the Statement of Financial Position.

Leased assets

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rentals are charged to the Income Statement on a straight-line basis as allowed by IAS 17 'Leases'.

Dividends

Dividends are recognised as a liability in the period in which they are approved by the company's shareholders. Interim dividends are recorded in the period in which they are paid.

Own shares held by Employees' Share Ownership Trust and Employees Share Trust

Transactions of the group-sponsored trusts are included in the group financial statements. In particular, the trusts' holdings of shares in the company are debited direct to equity.

Earnings per share

The earnings per share and diluted earnings per share calculations follow the provisions of IAS 33 'Earnings Per Share'. The diluted earnings per share figure is calculated by adjusting for the dilution effect of the exercise of all ordinary share options, SAYE options and the Capital Appreciation Plan options granted by the company, but excluding the ordinary shares held by the Euromoney Employees' Share Ownership Trust and Euromoney Employee Share Trust.

Exceptional items

Exceptional items are items of income or expense considered by the directors, either individually or if of a similar type in aggregate, as being either material or significant and which require additional disclosure in order to provide an indication of the underlying trading performance of the group.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the board and executive committee members who are responsible for strategic decisions, allocating resources and assessing performance of the operating segments.

2 KEY JUDGEMENTAL AREAS ADOPTED IN PREPARING THESE FINANCIAL STATEMENTS

The group prepares its group financial statements in accordance with International Financial Reporting Standards (IFRS), the application of which often requires judgements to be made by management when formulating the group's financial position and results. Under IFRS, the directors are required to adopt those accounting policies most appropriate to the group's circumstances for the purpose of presenting fairly the group's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the group should it later be determined that a different choice would have been more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its key judgemental areas and accordingly provides an explanation of each below. Management has discussed its critical accounting estimates and associated disclosures with the group's audit committee.

The discussion below should be read in conjunction with the group's disclosure of IFRS accounting policies in note 1.

Centre for Investor Education Limited (CIE)

In April 2013 the group acquired a 75% equity interest in CIE for a final consideration of £10.2m, with a commitment to acquire the remaining 25% by early 2016. At September 30 2014 based on the reported financial performance of CIE up to that date, the liability for the acquisition commitment was valued at £3.5m and the deferred consideration was valued at £1.7m. However, as part of the local statutory audit of CIE for the year to September 30 2014, a number of governance and financial irregularities were identified which remain subject to legal resolution. As a result of these irregularities, the former owner-managers of CIE were replaced and a number of adjustments made to the group's investment in CIE. The acquisition goodwill has been subject to an impairment charge of £2.9m (note 5). The group, in preparation of these financial statements at September 30 2015 has examined all evidence, including its own management investigation and Deloitte & Touche LLP Australia's findings, in reaching the conclusion that no further amounts are payable under the share purchase agreement for CIE. In October 2015, the group filed a public statement of claim against the previous owners for breaches of warranties and other damages.

Notes to the Consolidated Financial Statements

continued

2 KEY JUDGEMENTAL AREAS ADOPTED IN PREPARING THESE FINANCIAL STATEMENTS *continued*

As a result, the group has revised its prior estimate of acquisition commitments in respect of CIE which has given rise to a credit of £3.5m and deferred consideration credit of £1.7m included in net finance income as a fair value adjustment (note 7). The group has also de-recognised the non-controlling interest in equity.

Acquisitions and disposals

The purchase consideration for the acquisition of a subsidiary or business is allocated over the net fair value of identifiable assets, liabilities and contingent liabilities acquired.

In December 2014, the group sold its investments in Capital NET and Capital DATA for a combined consideration of $85.0m (note 13), which included a 15.5% minority stake in Dealogic for $59.2m. The following key accounting judgements were made:

- That the disposal and subsequent acquisition had commercial substance, meaning that a gain on disposal should be recognised.
- This investment has been equity accounted as an associate under IAS 28 by virtue of the group's significant influence conveyed by its 20% voting rights and board representation.
- The calculation of the £48.4m profit on disposal of Capital NET and Capital DATA.

Deferred consideration

The group often pays for a portion of the equity acquired at a future date. This deferred consideration is contingent on the future results of the entity acquired and valuation multiplier applicable to those results. The initial amount of the deferred consideration is recognised as a liability in the Statement of Financial Position. Each period end management reassesses the amount expected to be paid and any changes to the initial amount are recognised as finance income or expense in the Income Statement. Significant management judgement is required to determine the amount of deferred consideration that is likely to be paid, particularly in relation to the future profitability of the acquired business. At September 30 2015 the discounted present value of the deferred consideration asset was £0.6m (2014: liability £8.5m).

Acquisition commitments

The group is party to a number of put and call options over the remaining non-controlling interests in some of its subsidiaries. IAS 32 'Financial Instruments: Presentation' requires the discounted present value of these acquisition commitments to be recognised as a liability on the Statement of Financial Position with a corresponding decrease in reserves. Each period end management reassesses the amount expected to be paid and any changes to the initial amount are recognised as a finance income or expense in the Income Statement. The discounts are unwound as a notional interest charge to the Income Statement. Key areas of judgement in calculating the discounted present value of these commitments are the expected future cash flows and earnings of the business, the period remaining until the option is exercised, and the discount rate. At September 30 2015 the discounted present value of these acquisition commitments was £9.2m (2014: £13.4m).

Goodwill and other intangibles impairment

Goodwill is impaired where the carrying value of goodwill is higher than the net present value of future cash flows of those cash generating units to which it relates. Key areas of judgement in calculating the net present value are the forecast cash flows, the long-term growth rate of the applicable businesses and the discount rate applied to those cash flows. Goodwill held on the Statement of Financial Position at September 30 2015 was £382.0m (2014: £383.9m).

Share-based payments

The group makes long-term incentive payments to certain employees. These payments are measured at their estimated fair value at the date of grant, calculated using an appropriate option pricing model. This fair value is expensed on a straight-line basis over the expected vesting period, based on the estimated number of shares that will eventually vest. The key assumptions used in calculating the fair value of the options are the discount rate, the group's share price volatility, dividend yield, risk free rate of return, and expected option lives.

These assumptions are set out in note 23. Management regularly performs a true-up of the estimate of the number of shares expected to vest, which is dependent on the anticipated number of leavers.

The directors regularly reassess the expected vesting period. A plan that vests earlier than originally estimated results in an acceleration of the fair value expense of the plan recognised in the Income Statement at the time the reassessment occurs. Equally, a plan that vests later than previously estimated results in a credit to the Income Statement at the date of reassessment.

2 KEY JUDGEMENTAL AREAS ADOPTED IN PREPARING THESE FINANCIAL STATEMENTS *continued*

The group's long-term incentive schemes, CAP 2014 and CSOP 2014 were granted in 2014. The final award is subject to a number of performance tests which may change the number of shares that will vest. At the half year, management reversed the cumulative CAP 2014 charge of £2.5m through the Income Statement as the latest forecasts for the group did not indicate that the required profit target would be met in 2017. The credit for long-term incentive payments for the year ended September 30 2015 is £2.5m (2014: charge of £2.4m).

Defined benefit pension scheme

The surplus or deficit in the defined benefit pension scheme that is recognised through the Statement of Comprehensive Income is subject to a number of assumptions and uncertainties. The calculated liabilities of the scheme are based on assumptions regarding salary increases, inflation rates, discount rates, the long-term expected return on the scheme's assets and member longevity. Details of the assumptions used are shown in note 26. Such assumptions are based on actuarial advice and are benchmarked against similar pension schemes.

Taxation

The group's tax expense on profit is the sum of the total current and deferred tax expense. The calculation of the group's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profit and loss and/or cash flow variances.

The group is a multinational with tax affairs in many geographical locations. This inherently leads to a higher than usual complexity to the group's tax structure and makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the group and it is often dependent on the efficiency of the legislative processes in the relevant taxing jurisdictions in which the group operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period include payments on account and depend on the final resolution of open items. As a result, there can be substantial differences between the tax expense in the Income Statement and tax payments.

The group has certain significant open items in several tax jurisdictions and as a result the amounts recognised in the group financial statements in respect of these items are derived from the group's best estimation and judgement, as described above. However, the inherent uncertainty regarding the outcome of these items means eventual resolution could differ from the accounting estimates and therefore affect the group's results and cash flows.

Significant provisions and accruals

The group continues to recognise significant provisions and accruals including a provision for the impairment of trade receivables and property-related provisions. Impairment provisions for trade receivables are made when there is objective evidence that a loss event has occurred. A property-related provision is measured based on best estimates of the expenditure required to settle the obligation at each period end date.

3 SEGMENTAL ANALYSIS

Segmental information is presented in respect of the group's business divisions and reflects the group's management and internal reporting structure. The group is organised into four business divisions: Research and data; Financial publishing; Business publishing; Conferences, seminars and training. Financial publishing and Business publishing consist primarily of advertising and subscription revenue. Conferences, seminars and training consists of both sponsorship income and delegate revenue, as well as subscription revenue for membership institutes. Research and data consists primarily of subscription revenue. A breakdown of the group's revenue by type is set out below.

Following the disposal of MIS Training Institute Holdings, Inc. (MIS Training) during the year to September 30 2014, the training division has been merged with Conferences and seminars due to the relative size of the training division as compared to other divisions. As a result the comparative segment information has been restated.

In October 2014 the group disposed of four newsletter titles and in December 2014 the group disposed of 100% of the equity share capital in both Capital NET and Capital DATA. As a result segment information from the disposal of the titles and Capital NET and Capital DATA has been reclassified as sold/closed businesses and the comparative split of divisional revenues, revenue by type and operating profits have been restated.

Analysis of the group's three main geographical areas is also set out to provide additional information on the trading performance of the businesses.

Notes to the Consolidated Financial Statements
continued

3 SEGMENTAL ANALYSIS *continued*

Inter-segment sales are charged at prevailing market rates and shown in the eliminations columns below.

	United Kingdom		North America		Rest of World		Eliminations		Total	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
	£000	£000	**£000**	£000	**£000**	£000	**£000**	£000	**£000**	£000
Revenue by division and source:										
Research and data	**16,784**	16,202	**85,081**	80,747	**23,940**	23,897	**–**	(3)	**125,805**	120,843
Financial publishing	**50,565**	49,549	**28,382**	28,907	**2**	1,949	**(4,646)**	(4,600)	**74,303**	75,805
Business publishing	**51,151**	48,900	**19,621**	19,327	**1,687**	1,786	**(2,505)**	(2,212)	**69,954**	67,801
Conferences, seminars and training	**59,237**	54,576	**57,370**	51,824	**14,675**	19,680	**(219)**	(528)	**131,063**	125,552
Sold/closed businesses	**1,212**	8,226	**596**	5,433	**–**	182	**(144)**	(160)	**1,664**	13,681
Foreign exchange gains on forward contracts	**623**	2,877	**–**	–	**–**	–	**–**	–	**623**	2,877
Total revenue	**179,572**	180,330	**191,050**	186,238	**40,304**	47,494	**(7,514)**	(7,503)	**403,412**	406,559
Investment income (note 7)	**–**	–	**117**	64	**262**	171	**–**	–	**379**	235
Total revenue and investment income	**179,572**	180,330	**191,167**	186,302	**40,566**	47,665	**(7,514)**	(7,503)	**403,791**	406,794

	United Kingdom		North America		Rest of World		Total	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	£000	£000	**£000**	£000	**£000**	£000	**£000**	£000
Revenue by type and destination:								
Subscriptions	**35,195**	32,016	**103,055**	92,343	**72,226**	72,465	**210,476**	196,824
Advertising	**5,136**	6,842	**23,343**	22,659	**20,426**	22,660	**48,905**	52,161
Sponsorship	**10,156**	6,330	**23,737**	24,445	**25,262**	25,857	**59,155**	56,632
Delegates	**7,380**	7,383	**15,287**	15,813	**47,820**	47,945	**70,487**	71,141
Other	**2,523**	2,762	**6,937**	7,383	**2,640**	3,097	**12,100**	13,242
Sold/closed businesses	**1,215**	6,150	**450**	5,274	**1**	2,258	**1,666**	13,682
Foreign exchange gains on forward contracts	**623**	2,877	**–**	–	**–**	–	**623**	2,877
Total revenue	**62,228**	64,360	**172,809**	167,917	**168,375**	174,282	**403,412**	406,559

3 SEGMENTAL ANALYSIS *continued*

	United Kingdom		North America		Rest of World		Total	
	2015 £000	2014 £000	**2015 £000**	2014 £000	**2015 £000**	2014 £000	**2015 £000**	2014 £000
Operating profit[1] by division and source:								
Research and data	**3,922**	5,111	**34,362**	34,311	**5,315**	5,733	**43,599**	45,155
Financial publishing	**13,395**	15,456	**4,977**	5,774	**95**	332	**18,467**	21,562
Business publishing	**17,008**	15,483	**7,451**	7,474	**(215)**	(149)	**24,244**	22,808
Conferences, seminars and training	**14,621**	12,362	**17,113**	16,446	**1,568**	5,679	**33,302**	34,487
Sold/closed businesses	**1,019**	5,984	**322**	752	**(25)**	(24)	**1,316**	6,712
Unallocated corporate costs	**(15,566)**	(9,451)	**(260)**	(798)	**(868)**	(666)	**(16,694)**	(10,915)
Operating profit before acquired intangible amortisation, long-term incentive credit/(expense) and exceptional items	**34,399**	44,945	**63,965**	63,959	**5,870**	10,905	**104,234**	119,809
Acquired intangible amortisation[2] (note 11)	**(6,822)**	(6,869)	**(9,645)**	(9,485)	**(560)**	(381)	**(17,027)**	(16,735)
Long-term incentive credit/(expense)	**1,269**	(1,146)	**757**	(1,090)	**464**	(131)	**2,490**	(2,367)
Exceptional items (note 5)	**36,781**	(2,887)	**1,752**	6,062	**(5,112)**	(545)	**33,421**	2,630
Operating profit	**65,627**	34,043	**56,829**	59,446	**662**	9,848	**123,118**	103,337
Share of results in associates and joint ventures (note 13)							**(381)**	264
Finance income (note 7)							**5,127**	1,546
Finance expense (note 7)							**(4,579)**	(3,672)
Profit before tax							**123,285**	101,475
Tax expense (note 8)							**(17,599)**	(25,610)
Profit for the year							**105,686**	75,865

1. Operating profit before acquired intangible amortisation, long-term incentive credit/(expense) and exceptional items (refer to the appendix to the Chief Executive's Statement).

2. Acquired intangible amortisation represents amortisation of acquisition-related non-goodwill assets such as trademarks and brands, customer relationships and databases (note 11).

	Acquired intangible amortisation		Long-term incentive credit/(expense)		Exceptional items		Depreciation and amortisation	
	2015 £000	2014 £000	**2015 £000**	2014 £000	**2015 £000**	2014 £000	**2015 £000**	2014 £000
Other segmental information by division:								
Research and data	**(10,344)**	(9,469)	**622**	(628)	**(1,259)**	(547)	**(1,137)**	(1,224)
Financial publishing	**(1,988)**	(3,434)	**498**	(464)	**(5,133)**	(1,202)	**(85)**	(30)
Business publishing	**(2,141)**	(2,322)	**249**	(232)	**(40)**	(28)	**(25)**	(28)
Conferences, seminars and training	**(2,454)**	(1,403)	**598**	(557)	**(15,045)**	(190)	**(37)**	(48)
Sold/closed businesses	**–**	–	**–**	–	**2,441**	6,834	**–**	–
Unallocated corporate costs	**(100)**	(107)	**523**	(486)	**52,457**	(2,237)	**(4,039)**	(3,540)
	(17,027)	(16,735)	**2,490**	(2,367)	**33,421**	2,630	**(5,323)**	(4,870)

Notes to the Consolidated Financial Statements

continued

3 SEGMENTAL ANALYSIS *continued*

	United Kingdom		North America		Rest of World		Total	
	2015 £000	2014 £000	**2015 £000**	2014 £000	**2015 £000**	2014 £000	**2015 £000**	2014 £000
Non-current assets (excluding derivative financial instruments, deferred consideration and deferred tax assets) by location:								
Goodwill	**122,037**	137,669	**253,560**	236,369	**6,396**	9,896	**381,993**	383,934
Other intangible assets	**64,773**	73,681	**83,913**	86,978	**700**	850	**149,386**	161,509
Property, plant and equipment	**7,274**	14,661	**1,340**	1,757	**557**	506	**9,171**	16,924
Investments	**38,302**	72	**–**	–	**–**	–	**38,302**	72
Non-current assets	**232,386**	226,083	**338,813**	325,104	**7,653**	11,252	**578,852**	562,439
Capital expenditure by location	**(5,622)**	(2,465)	**(493)**	(397)	**(372)**	(243)	**(6,487)**	(3,105)

The group has taken advantage of paragraph 23 of IFRS 8 ‘Operating Segments’ and does not provide segmental analysis of net assets as this information is not used by the directors in operational decision making or monitoring of business performance.

4 OPERATING PROFIT

	2015 £000	2014 £000
Revenue	**403,412**	406,559
Cost of sales	**(107,488)**	(106,057)
Gross profit	**295,924**	300,502
Distribution costs	**(3,278)**	(3,582)
Administrative expenses	**(169,528)**	(193,583)
Operating profit	**123,118**	103,337

Administrative expenses include items separately disclosed in exceptional items of £33.4m (2014: £2.6m) (note 5).

4 OPERATING PROFIT *continued*

Operating profit is stated after charging/(crediting):	**2015 £000**	2014 £000
Staff costs (note 6)	**158,381**	156,923
Intangible amortisation:		
Acquired intangible amortisation	**17,027**	16,735
Licences and software	**2,680**	1,962
Depreciation of property, plant and equipment	**2,643**	2,908
Property operating lease rentals	**8,961**	7,443
Loss/(profit) on disposal of property, plant and equipment	**13**	(7)
Exceptional items (note 5):		
Profit on disposal of associate	**(2,921)**	–
Profit on disposal of available-for-sale investment	**(45,502)**	–
Profit on disposal of business (2014: includes recycled cumulative translation differences)	**(2,446)**	(6,834)
Profit on disposal of property, plant and equipment	**(4,181)**	–
Goodwill impairment	**18,458**	–
Restructuring and other exceptional costs	**3,171**	3,760
Impairment of carrying value of associate	**–**	444
Foreign exchange loss	**2,449**	1,437

Audit and non-audit services relate to:	**2015 £000**	2014 £000
Group audit:		
Fees payable for the audit of the group's annual accounts	**509**	390
Fees payable for other services to the group:		
Audit of subsidiaries pursuant to local legislation	**250**	350
	759	740
Assurance services:		
Audit related assurance services	**119**	115
Non-audit services:		
Taxation compliance services	**16**	85
Other taxation advisory services	**63**	284
Other services	**34**	23
	113	392
Total group auditor's remuneration	**991**	1,247

PricewaterhouseCoopers LLP was appointed as the group's auditor for the year ended September 30 2015. Accordingly comparative figures in the table above for the year ended September 30 2014 are in respect of remuneration paid to the group's previous auditor, Deloitte LLP and other member firms of Deloitte Touche Tohmatsu Limited.

Notes to the Consolidated Financial Statements

continued

5 EXCEPTIONAL ITEMS

Exceptional items are items of income or expense considered by the directors, either individually or if of a similar type in aggregate, as being either material or significant and which require additional disclosure in order to provide an indication of the underlying trading performance of the group.

	2015 £000	2014 £000
Profit on disposal of associate	**2,921**	–
Profit on disposal of available-for-sale investment	**45,502**	–
Profit on disposal of business (2014: includes recycled cumulative translation differences)	**2,446**	6,834
Profit on disposal of property, plant and equipment	**4,181**	–
	55,050	6,834
Goodwill impairment	**(18,458)**	–
Restructuring and other exceptional costs	**(3,171)**	(3,760)
Impairment of carrying value of associate	**–**	(444)
	33,421	2,630

For the year ended September 30 2015 the group recognised an exceptional credit of £33.4m. During the year the group disposed of its interests in a number of assets generating a gain on sale of £55.1m. Most of this relates to the sale of group's interests in Capital DATA and Capital NET as part of the Dealogic transaction (note 13). The group also sold a number of predominantly print-based newsletters and magazines (note 14) as well as certain freehold and leasehold properties as part of the relocation of its London offices.

Following the sharp downturn in the commodities sector in 2015 and no sign that market conditions will improve over the near term, the group has impaired the value of its investment in the Investing in African Mining Indaba (Mining Indaba), originally purchased in July 2014, by £10.7m. The group expects Mining Indaba to recover strongly once commodity markets pick up and will continue with its strategy set out at the time of the acquisition to develop the event's investor content and networking opportunities and to use its expertise in emerging markets, as well as its international network, to accelerate growth outside Africa.

The acquisition goodwill for Centre for Investor Education (CIE) has been subject to an impairment charge of £2.9m. For further details see note 2.

The remaining £4.8m charge for goodwill impairment relates to HedgeFund Intelligence (HFI), the group's information and events business serving the hedge fund industry. The performance of the business since the last year end has been disappointing but for 2016 HFI products have moved onto the Delphi content platform which will significantly enhance their quality.

Restructuring and other exceptional costs cover the major reorganisation of certain businesses initiated in the first half, costs relating to the relocation of the group's London headquarters, and professional fees resulting from the CIE dispute.

The group's tax charge includes a related tax charge on these exceptional items of £1.0m (note 8).

For the year ended September 30 2014 the group recognised a net exceptional credit of £2.6m. This comprised an exceptional credit for the profit on disposal of MIS Training offset by exceptional acquisition costs, restructuring and property costs, and impairment of carrying value of associate. The restructuring and other exceptional costs of £3.8m include acquisition costs of £0.9m for the acquisitions of Infrastructure Journal and Mining Indaba, costs of £1.5m for the relocation of the group's London headquarters and restructuring costs of £1.3m from the reorganisation of certain businesses including closure of print products. The group's tax charge included a related tax charge of £0.3m.

6 STAFF COSTS

(i) Number of staff (including directors and temporary staff)

	2015 Average	2014 Average
By business segment:		
Research and data	**846**	822
Financial publishing	**394**	385
Business publishing	**301**	278
Conferences, seminars and training	**398**	418
Central	**381**	506
	2,320	2,409

	2015 Average	2014 Average
By geographical location:		
United Kingdom	**923**	990
North America	**741**	761
Rest of World	**656**	658
	2,320	2,409

(ii) Staff costs (including directors and temporary staff)

	2015 £000	2014 £000
Wages and salaries	**146,944**	141,131
Social security costs	**10,754**	10,517
Other pension costs	**3,173**	2,908
Long-term incentive (credit)/expense	**(2,490)**	2,367
	158,381	156,923

Details of directors' remuneration have been disclosed in the Directors' Remuneration Report on pages 46 to 69.

7 FINANCE INCOME AND EXPENSE

	2015 £000	2014 £000
Finance income		
Interest income:		
Interest receivable from short-term investments	**379**	235
Movements in acquisition commitments (note 24)	**4,748**	1,298
Fair value gains on financial instruments:		
Ineffectiveness of interest rate swaps and forward contracts	**–**	13
	5,127	1,546
Finance expense		
Interest expense:		
Interest payable on committed borrowings	**(1,120)**	(1,349)
Net interest expense on defined benefit liability (note 26)	**(170)**	(120)
Movements in acquisition deferred consideration (note 24)	**(2,851)**	(1,873)
Interest on tax	**(438)**	(330)
	(4,579)	(3,672)
Net finance income/(costs)	**548**	(2,126)

Notes to the Consolidated Financial Statements

continued

7 FINANCE INCOME AND EXPENSE *continued*

	2015 £000	2014 £000
Reconciliation of net finance income/(costs) in Income Statement to adjusted net finance costs		
Total net finance income/(costs) in Income Statement	**548**	(2,126)
Add back:		
Movements in acquisition commitments	**(4,748)**	(1,298)
Movements in deferred consideration	**2,851**	1,873
	(1,897)	575
Adjusted net finance costs	**(1,349)**	(1,551)

The reconciliation of net finance income/(costs) in the Income Statement has been provided since the directors consider it necessary in order to provide an indication of the adjusted net finance costs.

Included in the movements of acquisition commitments and deferred consideration are fair value adjustments of £3.5m and £1.7m respectively for CIE (for further detail see note 2).

8 TAX ON PROFIT

	2015 £000	2014 £000
Current tax expense		
UK corporation tax expense	**7,989**	6,906
Foreign tax expense	**12,949**	12,695
Adjustments in respect of prior years	**(1,083)**	(570)
	19,855	19,031
Deferred tax expense		
Current year	**(1,764)**	6,107
Adjustments in respect of prior years	**(492)**	472
	(2,256)	6,579
Total tax expense in Income Statement	**17,599**	25,610
Effective tax rate	**14%**	25%

The adjusted effective tax rate for the year is set out below:

	2015 £000	2014 £000
Reconciliation of tax expense in Income Statement to adjusted tax expense		
Total tax expense in Income Statement	**17,599**	25,610
Add back:		
Tax on acquired intangible amortisation	**4,096**	4,114
Tax on exceptional items	**(983)**	(263)
	3,113	3,851
Tax on US goodwill amortisation	**(4,113)**	(3,837)
Share of tax on associates	**716**	–
Adjustments in respect of prior years	**1,575**	98
	1,291	112
Adjusted tax expense	**18,890**	25,722
Adjusted profit before tax (refer to the appendix to the Chief Executive’s Statement)	**107,810**	116,155
Adjusted effective tax rate	**18%**	22%

8 TAX ON PROFIT *continued*

The group presents the above adjusted effective tax rate to help users of this report better understand its tax charge. In arriving at this rate, the group removes the tax effect of items which are adjusted for in arriving at the adjusted profit disclosed in the appendix to the Chief Executive's Statement. However, the current tax effect of goodwill and intangible items is not removed. The group considers that the resulting adjusted effective tax rate is more representative of its tax payable position, as the deferred tax effect on the goodwill and intangible items is not expected to crystallise.

The actual tax expense for the year is different from 20.5% of profit before tax for the reasons set out in the following reconciliation:

	2015 £000	2014 £000
Profit before tax	**123,285**	101,475
Tax at 20.5% (2014: 22%)	**25,273**	22,325
Factors affecting tax charge:		
Different tax rates of subsidiaries operating in overseas jurisdictions	**3,150**	6,238
Share of tax on associates and joint ventures	**(84)**	(73)
US state taxes	**1,371**	1,075
Non-taxable income	**(6,356)**	–
Goodwill and intangibles	**197**	63
Disallowable expenditure	**1,734**	92
Other items deductible for tax purposes	**(5,515)**	(3,394)
Tax impact of consortium relief	**(596)**	(618)
Adjustments in respect of prior years	**(1,575)**	(98)
Total tax expense for the year	**17,599**	25,610

In addition to the amount charged to the Income Statement, the following amounts relating to tax have been directly recognised in other comprehensive income and equity:

	Other comprehensive income		**Equity**	
	2015 £000	2014 £000	**2015 £000**	2014 £000
Current tax	**–**	–	**–**	(2,690)
Deferred tax (note 21)	**(97)**	(495)	**492**	996
	(97)	(495)	**492**	(1,694)

9 DIVIDENDS

	2015 £000	2014 £000
Amounts recognisable as distributable to equity holders in year		
Final dividend for the year ended September 30 2014 of 16.00p (2013: 15.75p)	**20,501**	19,917
Interim dividend for year ended September 30 2015 of 7.00p (2014: 7.00p)	**8,977**	8,969
	29,478	28,886
Employee share trusts dividend	**(414)**	(115)
	29,064	28,771
Proposed final dividend for the year ended September 30	**21,033**	20,501
Employee share trusts dividend	**(296)**	(289)
	20,737	20,212

The proposed final dividend of 16.40p (2014: 16.00p) is subject to approval at the AGM on January 28 2016 and has not been included as a liability in these financial statements in accordance with IAS 10 'Events after the Reporting Period'.

Notes to the Consolidated Financial Statements

continued

10 EARNINGS PER SHARE

	2015 £000	2014 £000
Basic earnings attributable to equity holders of the parent	**105,444**	75,264
Adjustments (refer to the appendix to the Chief Executive's Statement)	**(16,766)**	14,568
Adjusted earnings	**88,678**	89,832

	2015 Number 000	2014 Number 000
Weighted average number of shares	**128,202**	127,506
Shares held by the employee share trusts	**(1,807)**	(990)
Weighted average number of shares	**126,395**	126,516
Effect of dilutive share options	**65**	720
Diluted weighted average number of shares	**126,460**	127,236

	Pence	Pence
Basic earnings per share	**83.42**	59.49
Adjustments per share	**(13.26)**	11.51
Adjusted basic earnings per share	**70.16**	71.00
Diluted earnings per share	**83.38**	59.15
Adjustments per share	**(13.26)**	11.45
Adjusted diluted earnings per share	**70.12**	70.60

The adjusted diluted earnings per share figure has been disclosed since the directors consider it necessary in order to give an indication of the underlying trading performance.

11 GOODWILL AND OTHER INTANGIBLES

2015	Acquired intangible assets Trademarks & brands 2015 £000	Customer relationships 2015 £000	Databases 2015 £000	Total acquired intangible assets 2015 £000	Licences & software 2015 £000	Intangible assets in development 2015 £000	Goodwill 2015 £000	Total 2015 £000
Cost/carrying amount								
At October 1 2014	164,843	98,713	12,083	**275,639**	12,923	62	411,815	**700,439**
Additions	–	–	–	**–**	1,324	436	–	**1,760**
Transfer	–	–	–	**–**	498	(498)	–	**–**
Exchange differences	7,018	4,064	533	**11,615**	420	–	17,457	**29,492**
At September 30 2015	**171,861**	**102,777**	**12,616**	**287,254**	**15,165**	**–**	**429,272**	**731,691**
Amortisation and impairment								
At October 1 2014	62,144	53,059	7,225	**122,428**	4,687	–	27,881	**154,996**
Amortisation charge	8,209	7,737	1,081	**17,027**	2,680	–	–	**19,707**
Impairment	–	–	–	**–**	–	–	18,458	**18,458**
Exchange differences	3,157	2,351	463	**5,971**	240	–	940	**7,151**
At September 30 2015	**73,510**	**63,147**	**8,769**	**145,426**	**7,607**	**–**	**47,279**	**200,312**
Net book value/carrying amount at September 30 2015	**98,351**	**39,630**	**3,847**	**141,828**	**7,558**	**–**	**381,993**	**531,379**

2014	Acquired intangible assets Trademarks & brands 2014 £000	Customer relationships 2014 £000	Databases 2014 £000	Total acquired intangible assets 2014 £000	Licences & software 2014 £000	Intangible assets in development 2014 £000	Goodwill 2014 £000	Total 2014 £000
Cost/carrying amount								
At October 1 2013	148,636	89,859	9,150	**247,645**	3,023	6,690	385,518	**642,876**
Additions	–	–	–	**–**	244	2,992	–	**3,236**
Transfer	–	–	–	**–**	9,598	(9,598)	–	**–**
Acquisitions	16,581	9,031	2,941	**28,553**	–	–	30,832	**59,385**
Balance at disposal of company	–	–	–	**–**	–	–	(3,450)	**(3,450)**
Exchange differences	(374)	(177)	(8)	**(559)**	58	(22)	(1,085)	**(1,608)**
At September 30 2014	**164,843**	**98,713**	**12,083**	**275,639**	**12,923**	**62**	**411,815**	**700,439**
Amortisation and impairment								
At October 1 2013	54,746	44,821	6,043	**105,610**	2,709	–	28,944	**137,263**
Amortisation charge	7,417	8,300	1,018	**16,735**	1,962	–	–	**18,697**
Balance at disposal of company	–	–	–	**–**	–	–	(907)	**(907)**
Exchange differences	(19)	(62)	164	**83**	16	–	(156)	**(57)**
At September 30 2014	**62,144**	**53,059**	**7,225**	**122,428**	**4,687**	**–**	**27,881**	**154,996**
Net book value/carrying amount at September 30 2014	**102,699**	**45,654**	**4,858**	**153,211**	**8,236**	**62**	**383,934**	**545,443**

Notes to the Consolidated Financial Statements
continued

11 GOODWILL AND OTHER INTANGIBLES *continued*

Intangible assets, other than goodwill, have a finite life and are amortised over their expected useful lives at the rates set out in the accounting policies in note 1 of this report.

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGU) that are expected to benefit from that business combination.

The carrying amounts of acquired intangible assets and goodwill by CGU are as follows:

	Acquired intangible assets		Goodwill	
	2015 £000	2014 £000	**2015 £000**	2014 £000
CEIC	**1,799**	2,113	**13,916**	12,973
EMIS	**175**	190	**9,469**	8,828
Petroleum Economist	**–**	–	**236**	236
Gulf Publishing	**–**	–	**5,046**	4,705
HedgeFund Intelligence	**–**	–	**9,886**	14,718
Information Management Network	**2,656**	2,667	**31,441**	29,312
BCA	**48,875**	50,853	**152,982**	142,621
Metal Bulletin publishing businesses	**17,992**	19,869	**52,710**	52,710
FOW	**–**	–	**196**	196
Total Derivatives	**1,044**	1,502	**8,180**	8,180
TelCap	**1,916**	2,041	**10,448**	10,448
Structured Retail Products	**1,908**	2,413	**4,794**	4,794
NDR	**25,273**	26,778	**38,410**	35,809
Global Grain	**525**	660	**3,889**	4,085
TTI/Vanguard	**2,190**	2,189	**3,048**	2,841
Insider Publishing	**6,775**	7,469	**15,280**	15,280
Centre for Investor Education	**2,838**	3,604	**2,021**	5,479
Euromoney Indices	**2,728**	3,491	**–**	–
IJ Global	**5,118**	5,650	**7,091**	7,091
Mining Indaba	**20,016**	21,722	**12,941**	23,619
Other	**–**	–	**9**	9
Total	**141,828**	153,211	**381,993**	383,934

Goodwill impairment testing

During the year the goodwill in respect of each of the above businesses was tested for impairment in accordance with IAS 36 'Impairment of Assets'. The methodology applied to the value in use calculations, reflecting past experience and external sources of information, included:

- budgets by business based on pre-tax cash flows with a CAGR of 3% to 25% for the next four years derived from approved 2015 budgets. Management believes these budgets to be reasonably achievable;
- subsequent cash flows for one additional year increased in line with growth expectations of the applicable businesses;
- pre-tax discount rates between 12.3% and 13.8%, derived from the company's benchmarked weighted average cost of capital (WACC) of 10.7% adjusted for risks specific to the nature of CGUs and risks included within the cash flows themselves; and
- long-term nominal growth rate of between 2% and 3%.

11 GOODWILL AND OTHER INTANGIBLES *continued*

Following the impairment review, the net impairment losses recognised in exceptional items (note 5) in respect of goodwill are as follows:

CGU	Reportable segment	2015 £000	2014 £000
Mining Indaba	Conferences, seminars and training	10,679	–
Centre for Investor Education	Conferences, seminars and training	2,947	–
HedgeFund Intelligence	Financial publishing	4,832	–
Total		**18,458**	–

Goodwill sensitivity analysis

Further disclosures in accordance with IAS 36 are provided where the group holds an individual goodwill item relating to a CGU that is significant, which the group considers to be 15% of the total net book value, in comparison with the group's total carrying value of goodwill. The only significant item of goodwill included in the net book value above relate to BCA.

Using the above methodology, a pre-tax discount rate of 12.5% and long-term nominal growth rate of 2%, the recoverable amount exceeded the total carrying value by £150.4m. The directors performed a sensitivity analysis on the total carrying value of this CGU. For the recoverable amount to fall to the carrying value the discount rate would need to be increased by 10.2% or the long-term growth rate reduced by 29%.

For the other CGUs, IAS 36 provides that, if there is any reasonably possible change to a key assumption that would cause the CGU's carrying amount to exceed its recoverable amount, further disclosures are required. For NDR when using the above methodology and a pre-tax discount rate of 13% and long-term nominal growth rate of 2% the recoverable amount exceeded the total carrying value by £9.5m. Sensitivity analysis performed around the base case assumptions has indicated that for NDR, the following changes in assumptions (in isolation), would cause the value in use to fall below the carrying value:

- the five year pre-tax cash flows decreased by 12%;
- the discount rate increased by 2%;
- the long-term growth rate reduced by 4%.

12 PROPERTY, PLANT AND EQUIPMENT

2015	Freehold land and buildings 2015 £000	Long-term leasehold premises 2015 £000	Short-term leasehold premises 2015 £000	Office equipment 2015 £000	Total 2015 £000
Cost					
At October 1 2014	6,447	3,081	18,373	21,317	**49,218**
Additions	–	19	3,142	3,326	**6,487**
Disposals	(6,447)	(2,575)	(9,789)	(5,779)	**(24,590)**
Exchange differences	–	60	451	548	**1,059**
At September 30 2015	**–**	**585**	**12,177**	**19,412**	**32,174**
Depreciation					
At October 1 2014	532	930	11,877	18,955	**32,294**
Charge for the year	21	82	792	1,748	**2,643**
Disposals	(553)	(511)	(6,435)	(5,422)	**(12,921)**
Exchange differences	–	56	396	535	**987**
At September 30 2015	**–**	**557**	**6,630**	**15,816**	**23,003**
Net book value at September 30 2015	**–**	**28**	**5,547**	**3,596**	**9,171**

Notes to the Consolidated Financial Statements

continued

12 PROPERTY, PLANT AND EQUIPMENT *continued*

2014	Freehold land and buildings 2014 £000	Long-term leasehold premises 2014 £000	Short-term leasehold premises 2014 £000	Office equipment 2014 £000	Total 2014 £000
Cost					
At October 1 2013	6,447	3,082	16,583	20,791	46,903
Additions	–	–	1,838	1,267	3,105
Disposals	–	–	(11)	(319)	(330)
Balance at disposal of company	–	–	(29)	(196)	(225)
Exchange differences	–	(1)	(8)	(226)	(235)
At September 30 2014	6,447	3,081	18,373	21,317	49,218
Depreciation					
At October 1 2013	449	808	10,781	18,073	30,111
Charge for the year	83	121	1,121	1,583	2,908
Disposals	–	–	(11)	(316)	(327)
Balance at disposal of company	–	–	(15)	(191)	(206)
Exchange differences	–	1	1	(194)	(192)
At September 30 2014	532	930	11,877	18,955	32,294
Net book value at September 30 2014	5,915	2,151	6,496	2,362	16,924
Net book value at September 30 2013	5,998	2,274	5,802	2,718	16,792

13 INVESTMENTS

	Investment in associates £000	**Investment in joint ventures £000**	**Available-for-sale investments £000**	**Total £000**
At October 1 2013	702	–	–	702
Impairment	(444)	–	–	(444)
Disposals	(127)	–	–	(127)
Share of profits after tax retained	264	–	–	264
Share of profits before tax and acquired intangible amortisation	337	–	–	337
Share of tax	(73)	–	–	(73)
Dividends	(323)	–	–	(323)
At September 30 2014	**72**	**–**	**–**	**72**
Additions	**32,855**	**34**	**5,835**	**38,724**
Disposals	**10**	**–**	**–**	**10**
Share of profits after tax retained	**(377)**	**(4)**	**–**	**(381)**
Share of profits before tax and acquired intangible amortisation	**2,440**	**(5)**	**–**	**2,435**
Share of tax	**(85)**	**1**	**–**	**(84)**
Share of acquired intangible amortisation	**(2,732)**	**–**	**–**	**(2,732)**
Dividends	**(123)**	**–**	**–**	**(123)**
At September 30 2015	**32,437**	**30**	**5,835**	**38,302**

All of the above investments in associates and joint ventures are accounted for using the equity method in these consolidated financial statements as set out in group's accounting policies in note 1.

13 INVESTMENTS *continued*

	2015 £000	2014 £000
Reconciliation of share of results in associates and joint ventures in Income Statement to adjusted share of results in associates and joint ventures		
Total share of results in associates and joint ventures in Income Statement	**(381)**	264
Add back:		
Share of tax	**84**	–
Share of acquired intangible amortisation	**2,732**	–
	2,816	–
Adjusted share of results in associates and joint ventures	**2,435**	264

Information on investment in associates, investment in joint ventures and available-for-sale investments:

	Note	Principal activity	Year ended	Description of holding	Group interest	Country of incorporation
Investment in associates						
Diamond TopCo Limited (Dealogic)	1	Capital market software solutions	Dec 31	Ordinary share capital	15.5%	UK
World Bulk Wine Exhibition (WBWE)	2	Event for commercialisation of bulk wine	Dec 31	Ordinary share capital	40.0%	Spain
Investment in joint ventures						
Institutional Investor Zanbato Limited (II Zanbato)	3	Hedge fund manager trading signals	Sept 30	Ordinary share capital	50.0%	UK
Sanostro Institutional AG (Sanostro)	4	Hedge fund manager trading signals	Dec 31	Ordinary share capital	50.0%	Switzerland
Available-for-sale investments						
Estimize, Inc (Estimize)	5	Financial estimates platform	Dec 31	Ordinary share capital	10.0%	Delaware, US
Zanbato, Inc (Zanbato)	6	Private capital placement and workflow	Dec 31	Ordinary share capital	9.9%	California, US

1. In December 2014 the group acquired 15.5% of the equity share capital with 20% voting rights in Dealogic, a company incorporated by the Carlyle Group. Dealogic provides data and analytics, market intelligence and capital markets software solutions to investment banks to help them manage their workflows, assist with deal origination and execution, and optimise productivity across their equity capital markets, fixed income, investment banking and research, sales and trading businesses.
2. In April 2015 the group acquired 40% of the equity share capital of WBWE for a consideration of €1.3m (£0.9m). WBWE is the biggest event in the world dedicated to the commercialisation of bulk wine.
3. In November 2014 the group set up a new joint venture with Zanbato Inc. with each owning 50% equity share capital in II Zanbato.
4. In December 2014 the group acquired 50% of the equity share capital of Sanostro for a cash consideration of £34,000. Sanostro provides hedge fund manager trading signals to European banks. The group has joint control over the company.
5. In July 2015 the group acquired 10% of the equity share capital of Estimize for a cash consideration of $3.6m (£2.3m). Estimize provides a financial estimates platform through sourcing estimates from hedge fund, brokerage and independent analysts to provide consensus market expectations. This investment is treated as an available-for-sale investment.
6. In September 2015 the group acquired 9.9% of the equity share capital of Zanbato for a cash consideration of $5.4m (£3.5m). Zanbato is an international private capital placement and workflow tools provider. This investment is treated as an available-for-sale investment.

Notes to the Consolidated Financial Statements

continued

13 INVESTMENTS *continued*

Set out below is the summarised financial information for Dealogic as at September 30 2015 which in the opinion of the directors is material to the group:

	Dealogic 2015 £000
Summarised balance sheet:	
Current assets	26,271
Non-current assets	494,725
Current liabilities	(263,855)
Non-current liabilities	(7,622)
Net assets	**249,519**
Summarised Statement of Comprehensive Income:	
Revenue	75,187
Profit from continuing operations	5,184
Post tax loss from continuing operations	(2,745)
Other comprehensive expense	(2,085)
Total comprehensive expense	**(4,830)**
Group share of loss after tax	(418)
Dividends received from the associate during the year	–

Reconciliation of the above summarised financial information to the carrying amount of the interest in Dealogic recognised in the Consolidated Financial Statements:

	Dealogic 2015 £000
Closing net assets	249,519
Proportion of the group's ownership interest in the associate	38,675
Restriction of profit applied on acquisition	(5,862)
Goodwill	(128)
Exchange differences	(1,148)
Carrying amount of the group's interest in the associate	**31,537**

Aggregate information of associates that are not individually material:

	2015 £000
Group share of profit from continuing operations	41
Aggregate carrying amount of the group's interests in these associates	900

Capital NET Limited (CapNet)

In December 2014 the group disposed of 100% of its equity share capital in CapNet for a cash consideration of US$4.6m (£2.9m). At the date of disposal, CapNet had a net liability value of £10,000 resulting in a profit on disposal of £2.9m (note 5).

13 INVESTMENTS *continued*

Assets available-for-sale investments

Capital DATA Limited (CapData)

The group had a 50% interest in CapData. The ordinary share capital of CapData was divided into 50 'A' shares and 50 'B' shares with the group owning the 50 'A' shares. Under the terms of the Articles of Association of CapData, the 'A' shares held by the group did not carry entitlement to any share of dividends or other distribution of profits of CapData. The group did not have the ability to exercise significant influence nor was it involved in the day-to-day running of CapData. As such the investment in CapData was accounted for as an asset available-for-sale with a carrying value of £nil (2014: £nil).

In December 2014 the group disposed its equity share capital in CapData for a total consideration of US$80.4m, settled by US$59.2m of ordinary 'B' shares (representing 15.5%) and US$21.2m of zero-coupon redeemable preferences shares in Dealogic. The $59.2m of 'B' shares were valued based on the price paid by other third party investors in Dealogic. IAS 28 requires that where a non-monetary asset is contributed to an associate for an equity interest in that associate, the resulting gain must be restricted. As the group received part of the consideration for CapData (US$59.2m) in the form of an associate interest in Dealogic, this element of the disposal gain must be restricted by the percentage of the group's investment in the new structure, namely 15.5%. The consideration in preference shares is treated as a current receivable given the fixed short-term redemption of this instrument, and the related profit on disposal is recognised immediately. The profit on disposal (note 5) is as follows:

	$000	£000
Ordinary 'B' shares in Dealogic received as consideration	59,225	37,817
Restriction applied to ordinary 'B' shares consideration	(9,180)	(5,862)
	50,045	31,955
Preference shares received	21,215	13,547
Total profit on disposal	**71,260**	**45,502**

14 ACQUISITIONS AND DISPOSALS

Purchase of new business

Infrastructure Journal (IJ)

During the financial year to September 30 2014, the group acquired IJ. The fair value of net assets acquired and consideration for the acquisition have been finalised and there were no changes since September 30 2014.

Increase in equity holdings

TTI Technologies LLC (TTI/Vanguard)

In March 2015 the group acquired 5.4% of the equity share capital of TTI/Vanguard for a cash consideration of US$0.2m (£0.1m). The group's equity shareholding in TTI/Vanguard increased to 100%.

Family Office Network Limited (FON)

In April 2015 the group acquired 49% of the equity share capital of FON for a cash consideration of US$0.2m (£0.1m). The group's equity shareholding in FON increased to 100%.

Sale of business

Institutional Investor Titles (II Titles)

On October 31 2014, the group completed the sale of its newsletter publications and website services titled Compliance Intelligence, Fund Director Intelligence, Fund Industry Intelligence, and Real Estate Finance Intelligence to Pageant Media Limited. The disposal of II Titles gave rise to a profit on disposal of US$4.0m (£2.4m), after deducting disposal costs incurred, which was recognised as an exceptional item (note 5) in the Income Statement.

Notes to the Consolidated Financial Statements

continued

14 ACQUISITIONS AND DISPOSALS *continued*

The net assets of II Titles at the date of disposal were as follows:

	Final fair value £000
Net liabilities disposed	**(2,129)**
Directly attributable costs	**53**
Profit on disposal	**2,446**
Total consideration	**370**
Consideration satisfied by:	
Cash	**93**
Deferred consideration	**277**
	370
Net cash inflow arising on disposal:	
Cash consideration (net of directly attributable costs)	**40**
Less: cash and cash equivalent balances disposed	**–**
	40

The net liabilities disposed mainly relates to the deferred revenue balances held by the group, with Pageant Media now being responsible for the delivery of the underlying service.

15 TRADE AND OTHER RECEIVABLES

	2015 £000	2014 £000
Amounts falling due within one year		
Trade receivables	**59,084**	54,874
Less: provision for impairment of trade receivables	**(5,441)**	(5,226)
Trade receivables – net of provision	**53,643**	49,648
Amounts owed by DMGT group undertakings	**192**	485
Other debtors	**20,347**	6,684
Prepayments	**7,451**	8,089
Accrued income	**1,753**	2,518
	83,386	67,424

The 2014 comparatives have been re-presented to reflect a reclassification to net down certain balances within trade receivables of £8.5m, accrued income of £3.9m and deferred subscription income of £12.4m (note 17). The corresponding impact of this representation on the opening balance sheet at October 1 2013 would have been a net reduction to trade receivables of £6.7m, accrued income of £4.5m and deferred subscription income of £11.2m. This reclassification has no impact on net assets.

The average credit period on sales of goods and services is 30 days. Trade receivables beyond 60 days overdue are provided for based on estimated irrecoverable amounts from the sale of goods and services, determined by reference to past default experience.

Credit terms for customers are determined in individual territories. There are no customers who represent more than 5% of the total balance of trade receivables.

As at September 30 2015, trade receivables of £21.9m (2014: £34.1m) were not yet due.

15 TRADE AND OTHER RECEIVABLES *continued*

Ageing of past due but not impaired trade receivables:

	2015 £000	2014 £000
Past due less than a month	**14,496**	5,978
Past due more than a month but less than two months	**3,760**	4,005
Past due more than two months but less than three months	**2,990**	1,830
Past due more than three months	**2,649**	2,274
	23,895	14,087

The group has not provided for these trade receivables as there has been no significant change in their credit quality and the amounts are still considered recoverable. These relate to a number of independent customers for whom there is no recent history of default. The average age of these receivables is 67 days (2014: 73 days). The group does not hold any collateral over these balances.

Ageing of trade receivables impaired and partially provided for:

	2015 £000	2014 £000
Past due less than a month	**6,444**	1,763
Past due more than a month but less than two months	**2,195**	1,065
Past due more than two months but less than three months	**462**	157
Past due more than three months	**4,203**	3,660
	13,304	6,645

The amount of the provision for impaired trade receivables was £5.4m (2014: £5.2m). It was assessed that a portion of the receivables is expected to be recovered.

Movements on the group provision for impairment of trade receivables are as follows:

	2015 £000	2014 £000
At October 1	**(5,226)**	(5,846)
Impairment losses recognised	**(4,835)**	(4,686)
Impairment losses reversed	**3,007**	3,537
Amounts written off as uncollectible	**1,696**	1,707
Disposals	**–**	30
Exchange differences	**(83)**	32
At September 30	**(5,441)**	(5,226)

In determining the recoverability of a trade receivable, the group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit risk provision required in excess of the allowance for doubtful debts.

The allowance for doubtful debts does not include individually impaired trade receivables which have been placed under liquidation as these trade receivables are written off directly to the Income Statement.

Notes to the Consolidated Financial Statements

continued

16 TRADE AND OTHER PAYABLES

	2015 £000	2014 £000
Trade creditors	**2,490**	2,969
Amounts owed to DMGT group undertakings	**534**	20
Liability for cash-settled options	**71**	147
Other creditors	**20,916**	22,396
	24,011	25,532

The directors consider the carrying amounts of trade and other payables approximate their fair values.

17 DEFERRED INCOME

	2015 £000	2014 £000
Deferred subscription income (note 15)	**86,198**	82,026
Other deferred income	**25,931**	27,816
	112,129	109,842

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

	2015		2014	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Forward foreign exchange contracts - cash flow hedge:				
Current	**1,313**	**(3,346)**	2,611	(1,322)
Non-current	**9**	**(661)**	179	(385)
	1,322	**(4,007)**	2,790	(1,707)

Financial risk management objectives

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk arising in the normal course of business. Derivative financial instruments are used to manage exposures to fluctuations in foreign currency exchange rates and interest rates but are not employed for speculative purposes.

Full details of the objectives, policies and strategies pursued by the group in relation to financial risk management are set out in this note and on pages 88 and 89 of the accounting policies. In summary, the group's tax and treasury committee normally meets twice a year and is responsible for recommending policy to the board. The group's treasury policies are directed to giving greater certainty of future costs and revenues and ensuring that the group has adequate liquidity for working capital and debt capacity for funding acquisitions.

The treasury department does not act as a profit centre, nor does it undertake any speculative trading activity and it operates within policies and procedures approved by the board.

Interest rate swaps are used to manage the group's exposure to fluctuations in interest rates on its floating rate borrowings. Further details are set out in the interest rate risk section on page 116.

Forward contracts are used to manage the group's exposure to fluctuations in exchange rate movements. Further details are set out in the foreign exchange rate risk section (page 114).

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *continued*

Capital risk management

The group manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from 2014.

The capital structure of the group consists of debt, which includes the borrowings disclosed in note 19, cash deposits with Daily Mail and General Trust plc (DMGT) group disclosed in note 28, cash and cash equivalents and equity attributable to equity holders of the parent, comprising share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity.

Net cash/debt to EBITDA* ratio

The group's tax and treasury committee reviews the group's capital structure at least twice a year. As part of the debt covenants under the loan facility provided by DMGT, the board must ensure net debt to a rolling 12 month EBITDA do not exceed three times. During the financial year ended September 30 2015 the net debt to rolling 12 month EBITDA did not breach the DMGT debt covenant. The DMGT loan was repaid in full in September 2015. The group expects to be able to remain within these limits during the life of the facility. The net cash/debt to EBITDA covenant is defined to allow the rate used in the translation of US dollar EBITDA, including hedging contracts, to be used also in the calculation of net debt, thereby removing any distortion to the covenant from increases in net debt due to short-term movements in the US dollar.

On November 13 2013, the group signed a US$160m multi-currency replacement facility with DMGT that provides access to funds, should the group require it during the period to April 2016. The facility requires the group's net debt to EBITDA to be no more than three times.

On August 3 2015, the group entered into a deposit agreement with DMGT to place excess operating funds on deposit with DMGT at a LIBID plus 0.5%. The total cash deposit held with DMGT is disclosed in note 28. The increase in cash position has converted the historical net debt into a net cash position.

The net cash/(debt) to EBITDA* ratio at September 30 is as follows:

	2015 £000	2014 £000
Committed loan facility (at weighted average exchange rate)	**–**	(45,403)
Loan notes	**(267)**	(490)
Total debt	**(267)**	(45,893)
Cash deposit	**9,799**	–
Cash and cash equivalents, net of bank overdrafts	**8,148**	8,571
Net cash/(debt)	**17,680**	(37,322)
EBITDA	**114,482**	122,576
Net (cash)/debt to EBITDA ratio	**(0.15)**	0.30

* EBITDA (Earnings before interest, tax, depreciation, amortisation) = adjusted operating profit before depreciation and amortisation of licences and software, adjusted for the timing impact of acquisitions and disposals.

Notes to the Consolidated Financial Statements

continued

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *continued*

Categories of financial instruments

The group's financial assets and liabilities at September 30 are as follows:

	2015 £000	2014 £000
Financial assets		
Derivative instruments in designated hedge accounting relationships	**1,322**	2,790
Deferred consideration (note 24)	**589**	1,886
Loans and receivables (including cash at bank and short-term deposits)	**94,623**	67,906
	96,534	72,582
Financial liabilities		
Derivative instruments in designated hedge accounting relationships	**(4,007)**	(1,707)
Acquisition commitments (note 24)	**(9,171)**	(13,365)
Deferred consideration (note 24) (Level 3)	**–**	(10,389)
Loans and payables (including bank overdrafts)	**(80,762)**	(120,138)
	(93,940)	(145,599)

The fair value of the financial assets and liabilities above are classified as level 2 in the fair value hierarchy other than deferred consideration which is classified as level 3 (page 119). The directors consider that the carrying value amounts of financial assets and liabilities are equal to their fair value.

The group has derivative assets of £1.3m (2014: £2.8m) and derivative liabilities of £4.0m (2014: £1.7m) with a number of banks that do not meet the offsetting criteria of IAS 32, but which the group has the right to setoff same currency cash flows settled on the same date. Consequently, the gross amount of the derivative assets and the gross amount of the derivative liabilities are presented separately in the group's Statement of Financial Position.

The group has entered into an omnibus guarantee and setoff agreement with Lloyds Banking Group plc with a right to setoff outstanding credit balances against cash balances. Gross assets of £10.4m (2014: £10.3m) and gross liabilities of £2.3m (2014: £1.8m) under this agreement meet the offsetting criteria of IAS 32 are setoff, resulting in the presentation of a net derivative asset of £8.1m (2014: £8.6m) in the group's Statement of Financial Position.

i) Market price risk

Market price risk is the possibility that changes in currency exchange rates, interest rates or commodity prices will adversely affect the value of the group's financial assets, liabilities or expected future cash flows. The group's primary market risks are interest rate fluctuations and exchange rate movements. Derivatives are used to hedge or reduce the risks of interest rate and exchange rate movements and are not entered into unless such risks exist. Derivatives used by the group for hedging a particular risk are not specialised and are generally available from numerous sources. The fair values of interest rate swaps and forward exchange contracts are set out in this note and represent the value for which an asset could be sold or liability settled between knowledgeable willing parties in an arm's length transaction calculated using the market rates of interest and exchange at September 30 2015. The group has no other material market price risks. Market risk exposures are measured using sensitivity analysis.

There has been no change to the group's exposure to market risks or the manner in which it manages and measures the risks during the year.

ii) Foreign exchange rate risk

The group's principal foreign exchange exposure is to US dollar. The group generates approximately two-thirds of its revenues in US dollars, including approximately 30% of the revenues in its UK-based businesses, and approximately 60% of its operating profits are US dollar-denominated. The group is therefore exposed to foreign exchange risk on the US dollar revenues in its UK businesses, the translation of results of foreign subsidiaries and external loans as well as loans to foreign operations within the group where the denomination of the loan is not in the functional currency of the lender/borrower.

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *continued*

The carrying amounts of the group's US dollar-denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2015 £000	2014 £000	**2015 £000**	2014 £000
US dollar	**78,404**	77,011	**(158,319)**	(138,447)

Subsidiaries normally do not hedge transactions in foreign currencies into the functional currency of their own operations. However, at a group level, a series of US dollar and euro forward contracts are put in place to sell forward surplus US dollars and euros so as to hedge 80% of the group's UK based US dollar and euro revenues for the coming 12 months and 50% of the group's UK based US dollar and euro revenues for the subsequent six months. The timing and value of these forward contracts is based on management's estimate of its future US dollar and euro revenues over an 18 month period and is regularly reviewed and revised with any changes in estimates resulting in either additional forward contracts being taken out or existing contracts' maturity dates being moved forward or back. If management materially underestimate the group's future US dollar and euro denominated revenues, this would lead to too few forward contracts being in place and the group being more exposed to swings in US dollar and euro to sterling exchange rates. An overestimate of the group's US dollar and euro denominated revenues would lead to associated costs in unwinding the excess forward contracts. The group also has a significant operation in Canada whose revenues are mainly in US dollars. At a group level a series of US dollar forward contracts is put in place up to 18 months forward to hedge the operation's Canadian cost base. In addition, each subsidiary is encouraged to invoice sales in its local functional currency where possible. Forward exchange contracts are gross settled at maturity.

Impact of 10% strengthening of sterling against US dollar

The following table details the group's sensitivity to a 10% increase and decrease in sterling against US dollar. A 10% sensitivity has been determined by the board as the sensitivity rate appropriate when reporting an estimated foreign currency risk internally and represents management's assessment of a reasonably possible change in foreign exchange rates at the reporting date.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the group where the denomination of the loan is not in the functional currency of the lender/borrower. Where sterling strengthens 10% against the relevant currency a negative number below indicates a decrease in profit and equity. For a 10% weakening of sterling against the relevant currency, there would be an equal and opposite impact on the profit and other comprehensive income, and the balances below would be positive.

	2015 £000	2014 £000
Change in profit for the year in Income Statement (US$ net assets in UK companies)	**(892)**	(583)
Change in other comprehensive income (derivative financial instruments)	**8,184**	6,819
Change in other comprehensive income (external loans and loans to foreign operations)	**12,466**	10,350

The increase in the loss from the sensitivity analysis is due to a decrease in the working capital assets. The increase in other comprehensive income from £6.8m to £8.2m from the sensitivity analysis is due to the increase of the value of the derivative financial assets.

The group is also exposed to the translation of the results of its US dollar-denominated businesses, although the group does not hedge the translation of these results. Consequently, fluctuations in the value of sterling versus other currencies could materially affect the translation of these results in the consolidated financial statements.

The change in other comprehensive income from a 10% change in sterling against US dollars in relation to the translation of external loans and loans to foreign operations within the group where the denomination of the loan is not in the functional currency of the lender/borrower would result in a change of £12.5m (2014: £10.4m). However, the change in other comprehensive income is completely offset by the change in value of the foreign operation's net assets from their translation into sterling.

Notes to the Consolidated Financial Statements

continued

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *continued*

Forward foreign exchange contracts

It is the policy of the group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts. A series of US dollar and euro forward contracts are put in place to sell forward surplus US dollars and euros so as to hedge 80% of the group's UK based US dollar and euro revenues for the coming 12 months and 50% of the group's UK based US dollar and euro revenues for the subsequent six months. In addition, at a group level a series of US dollar forward contracts is put in place up to 18 months forward to hedge the subsidiary's Canadian cost base.

	Average exchange rate		Foreign currency		Contract value		Fair value	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
			US$000	US$000	**£000**	£000	**£000**	£000
Cash Flow Hedges								
Sell USD buy GBP								
Less than a year	**1.564**	1.623	**86,574**	80,500	**55,362**	49,591	**(1,829)**	(229)
More than a year but less than two years	**1.543**	1.653	**28,800**	20,800	**18,671**	12,584	**(359)**	(308)
Sell USD buy CAD†								
Less than a year	**1.181**	1.081	**15,793**	15,863	**9,215**	9,461	**(1,214)**	(374)
More than a year but less than two years	**1.303**	1.102	**4,900**	4,450	**3,154**	2,707	**(84)**	(69)
			€000	€000	**£000**	£000	**£000**	£000
Sell EUR buy GBP								
Less than a year	**1.296**	1.189	**34,800**	32,600	**26,858**	27,408	**1,009**	1,880
More than a year but less than two years	**1.370**	1.245	**12,300**	12,000	**8,979**	9,636	**(208)**	170

† Rate used for conversion from CAD to GBP is 2.0239 (2014: 1.8117).

As at September 30 2015, the aggregate amount of unrealised gains under forward foreign exchange contracts deferred in the fair value reserve relating to future revenue transactions is £2.7m (2014: gains £1.1m). It is anticipated that the transactions will take place over the next 18 months at which stage the amount deferred in equity will be released to the Income Statement. As at September 30 2015, there were no ineffective cash flow hedges in place at the year end (2014: £nil).

iii) Interest rate risk

The group's borrowings are in both sterling and US dollars with the related interest tied to LIBOR. This results in the group's interest charge being at risk to fluctuations in interest rates. It is the group's policy to hedge approximately 80% of its interest exposure, converting its floating rate debt into fixed debt by means of interest rate swaps. The maturity dates are spread in order to avoid interest rate basis risk and also to negate short-term changes in interest rates. The predictability of interest costs is deemed to be more important than the possible opportunity cost forgone of achieving lower interest rates and this hedging strategy has the effect of spreading the group's exposure to fluctuations arising from changes in interest rates and hence protects the group's interest charge against sudden increases in rates but also prevents the group from benefiting immediately from falls in rates.

As at September 30 2015, there were no interest rate swaps outstanding as the group had repaid its debt in full (2014: £nil).

The group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk section on page 117.

Interest rate sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents the directors' assessment of a reasonably possible change in interest rates at the reporting date.

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *continued*

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the group's profit for the year ended September 30 2015 would decrease or increase by £0.1m (2014: £0.4m). This is mainly attributable to the group's exposure to interest rates on its variable rate borrowings and decrease in loan payable to DMGT with the eventual repayment of loan at September 2015.

iv) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group seeks to limit interest rate and foreign currency risks described above by the use of financial instruments and as a result have a credit risk from the potential non-performance by the counterparties to these financial instruments, which are unsecured. The amount of this credit risk is normally restricted to the amounts of any hedge gain and not the principal amount being hedged. The group also has a credit exposure to counterparties for the full principal amount of cash and cash equivalents and cash on deposit with DMGT. Credit risks are controlled by monitoring the amounts outstanding with, and the credit quality of, these counterparties. For the group's cash and cash equivalents these are principally licensed commercial banks and investment banks with strong long-term credit ratings, and for cash on deposit and derivative financial instruments with DMGT who have treasury policies in place which do not allow concentrations of risk with individual counterparties and do not allow significant treasury exposures with counterparties which are rated lower than AA.

The group also has credit risk with respect to trade and other receivables, prepayments and accrued income. The concentration of credit risk from trade receivables is limited due to the group's large and broad customer base. Trade receivable exposures are managed locally in the business units where they arise. Allowance is made for bad and doubtful debts based on management's assessment of the risk of non-payment taking into account the ageing profile, experience and circumstance.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, recorded in the Statement of Financial Position. The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk did not exceed 5% of gross monetary assets at any time during the year.

v) Liquidity risk

The group is an approved borrower under a DMGT US$160m dedicated multi-currency facility which expires at the end of April 2016.

The DMGT loan facility requires the group to meet certain covenants based on net debt and profits adjusted for certain non-cash items and the impact of foreign exchange. Exceeding the covenant would result in the group being in breach of the facility potentially resulting in the facility being withdrawn or impediment of management decision making by the lender. Management regularly monitors the covenants and prepares detailed cash flow forecasts to ensure that sufficient headroom is available and that the covenants are not close or potentially close to breach. At September 30 2015, the group's net cash to adjusted EBITDA was (0.15) times.

In August 2015, the group entered into a deposit agreement with DMGT to place any excess operating funds on deposit with DMGT at a LIBID plus 0.5%.

The group's strategy is to use excess operating cash to deposit with DMGT or pay down its debt. As at September 2015, the group repaid the multi-currency borrowing facility with DMGT in full. The group generally has an annual cash conversion rate (the percentage by which cash generated from operations covers operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items) of 100% or more due to much of its subscription, sponsorship and delegate revenue being paid in advance. The group's operating cash conversion rate was 105%. The underlying operating cash conversion rate is 101% compared to 100% in 2014.

There is a risk that the undrawn portion of the facility, or that the additional funding, may be unavailable or withdrawn if DMGT experience funding difficulties themselves. However, if DMGT were unable to fulfil its funding commitment to the group, the directors are confident that the group would be in a position to secure adequate external facilities, although at a higher cost of funding.

This table has been drawn up based on the undiscounted contractual cash flows of the financial liabilities including both interest and principal cash flows. To the extent that the interest rates are floating, the undiscounted amount is derived from interest rate curves at September 30 2015. The contractual maturity is based on the earliest date on which the group may be required to settle.

Notes to the Consolidated Financial Statements

continued

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *continued*

2015	**Weighted average effective interest rate %**	**Less than 1 year £000**	**1–3 years £000**	**Total £000**
Variable rate borrowings	**3.08**	**267**	**–**	**267**
Acquisition commitments	**–**	**–**	**9,171**	**9,171**
Non-interest bearing liabilities (trade and other payables, and accruals)	**–**	**80,495**	**–**	**80,495**
		80,762	**9,171**	**89,933**

2014	Weighted average effective interest rate %	Less than 1 year £000	1–3 years £000	Total £000
Variable rate borrowings	2.67	490	45,677	46,167
Acquisition commitments	–	2,088	11,277	13,365
Deferred consideration	–	10,389	–	10,389
Non-interest bearing liabilities (trade and other payables, and accruals)	–	73,505	466	73,971
		86,472	57,420	143,892

During September 2015 the committed facility with DMGT group was repaid and at September 30 2015, the group placed £1.2m of deposits (2014: £37.8m of borrowings designated) in US dollars with the remainder in sterling. The average rate of interest paid on the debt during the year was 4.32% (2014: 3.42%).

The following table details the group's remaining contractual maturity for its non-derivative financial assets, mainly short-term deposits for amounts on loans owed by DMGT group undertakings and equity non-controlling interests. This table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the group anticipates that the cash flow will occur in a different period.

2015	**Weighted average effective interest rate %**	**Less than 1 year £000**	**1–3 years £000**	**Total £000**
Variable interest rate instruments (cash at bank and short-term deposits)	**3.16**	**18,688**	**–**	**18,688**
Deferred consideration	**–**	**331**	**258**	**589**
Non-interest bearing assets (trade and other receivables excluding prepayments)	**–**	**75,935**	**–**	**75,935**
		94,954	**258**	**95,212**

2014	Weighted average effective interest rate %	Less than 1 year £000	1–3 years £000	Total £000
Variable interest rate instruments (cash at bank)	1.65	8,571	–	8,571
Deferred consideration	–	354	1,532	1,886
Non-interest bearing assets (trade and other receivables excluding prepayments)	–	59,335	–	59,335
		68,260	1,532	69,792

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *continued*

The following table details the group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

2015	**Less than 1 month £000**	**1–3 months £000**	**3 months to 1 year £000**	**1–5 years £000**	**Total £000**
Foreign exchange forward contracts inflows	**8,212**	**14,754**	**68,469**	**30,808**	**122,243**
Foreign exchange forward contracts outflows	**(8,375)**	**(15,342)**	**(69,717)**	**(31,383)**	**(124,817)**
	(163)	**(588)**	**(1,248)**	**(575)**	**(2,574)**

2014	Less than 1 month £000	1–3 months £000	3 months to 1 year £000	1–5 years £000	Total £000
Foreign exchange forward contracts inflows	7,463	14,515	65,983	23,426	111,387
Foreign exchange forward contracts outflows	(7,085)	(14,001)	(65,235)	(23,445)	(109,766)
	378	514	748	(19)	1,621

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

Level 1

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

Level 2

- The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
- Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.
- Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Level 3

- If one or more significant inputs are not based on observable market date, the instrument is included in level 3.

As at September 30 2015 and the prior year, all the resulting fair value estimates have been included in level 2 other than the group's acquisition commitments and deferred consideration which are classified as level 3.

Other financial instruments not recorded at fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values. Such financial assets and financial liabilities include cash and cash equivalents, receivables, payables and loans.

Notes to the Consolidated Financial Statements

continued

19 LOANS

	2015 £000	2014 £000
Loan notes – current liabilities	**267**	490
Committed loan facility – non-current liabilities	**–**	45,677

Loan notes

Loan notes were issued in October and November 2006 to fund the purchase of Metal Bulletin plc. Interest is payable on these loan notes at a variable rate of 0.75% below LIBOR, payable in June and December. Loan notes can be redeemed at the option of the loan note holder twice a year on the interest payment dates above. At least 20 business days' written notice prior to the redemption date is required. During the year ended September 30 2015 £0.2m (2014: £0.5m) of these loan notes were redeemed.

Committed loan facility

The group's debt is provided through a dedicated multi-currency borrowing facility from Daily Mail and General Trust plc (DMGT). The total maximum borrowing capacity is US$160m (£106m) facility which expires at the end of April 2016. Interest is payable on this facility at a variable rate of between 1.35% and 2.35% above LIBOR dependent on the ratio of adjusted net debt to EBITDA. The facility's covenant requires the group's net debt to be no more than three times adjusted EBITDA on a rolling 12 month basis. Failure to do so would result in the group being in breach of the facility, potentially resulting in the facility being withdrawn or impediment of management decision making by the lender. Management regularly monitors the covenant and prepares detailed debt forecasts to ensure that sufficient headroom is available and that the covenants are not close or potentially close to breach. At September 30 2015, the group's net cash to adjusted EBITDA was (0.15) times and the committed undrawn facility available to the group was £106m given the loan was paid in full.

In the absence of any significant acquisitions, the group has no pressing requirement to arrange new finance before the facility expires in April 2016 and the group intends to replace it with a new borrowing facility, the amount and terms of which will depend on its expected borrowing requirements at the time. There is a risk that the undrawn portion of the facility, or that the additional funding, may be unavailable or withdrawn if DMGT experiences funding difficulties themselves. However, if DMGT were unable to fulfil its funding commitment to the group, the directors are confident that the group would be in a position to secure adequate external facilities, although at a higher cost of funding.

The group's strategy is to use excess operating cash to deposit with DMGT or pay down its debt. As at September 2015, the group repaid the multi-currency borrowing facility with DMGT in full. The group generally has an annual cash conversion rate (the percentage by which cash generated from operations covers operating profit before acquired intangible amortisation, long-term incentive expense and exceptional items) of 100% or more due to much of its subscription, sponsorship and delegate revenue being paid in advance. The group's operating cash conversion rate was 105%. The underlying operating cash conversion rate is 101% compared to 100% in 2014.

20 PROVISIONS

	Onerous lease provision £000	Other provisions £000	Total £000
At October 1 2014	1,929	2,939	4,868
Provision in the year	–	693	693
Release in the year	(195)	(1,069)	(1,264)
Used in the year	(956)	(230)	(1,186)
Exchange differences	62	7	69
At September 30 2015	**840**	**2,340**	**3,180**

Maturity profile of provisions:

	2015 £000	2014 £000
Within one year (included in current liabilities)	835	2,164
Between one and two years (included in non-current liabilities)	–	463
Between two and five years (included in non–current liabilities)	2,345	2,241
	3,180	4,868

Onerous lease provision

The onerous lease provision relates to certain buildings within the property portfolio which either at acquisition were rented at non-market rates, or are no longer occupied by the group.

Other provisions

The provision consists of social security arising on share option liabilities and dilapidations on leasehold properties.

21 DEFERRED TAXATION

The net deferred tax liability at September 30 2015 comprised:

	2014 £000	Income statement £000	Other comprehensive income £000	Equity £000	Exchange differences £000	2015 £000
Capitalised goodwill and intangibles	(28,724)	(303)	–	(254)	(1,707)	(30,988)
Tax losses	2,130	1,967	–	–	165	4,262
Financial instruments	(315)	–	581	–	–	266
Other short-term temporary differences	7,808	592	(484)	(238)	378	8,056
Deferred tax	(19,101)	2,256	97	(492)	(1,164)	(18,404)
Comprising:						
Deferred tax assets	–					20
Deferred tax liabilities	(19,101)					(18,424)
	(19,101)					(18,404)

Notes to the Consolidated Financial Statements

continued

21 DEFERRED TAXATION *continued*

	2014 £000	Income statement £000	Other comprehensive income £000	Equity £000	Exchange differences £000	2015 £000
Other short-term temporary differences:						
Share-based payments	**950**	**(699)**	**–**	**(238)**	**–**	**13**
Pension deficit	**956**	**(79)**	**(484)**	**–**	**–**	**393**
Accelerated capital allowances	**669**	**593**	**–**	**–**	**–**	**1,262**
Deferred income, accruals and other provisions	**5,233**	**777**	**–**	**–**	**378**	**6,388**
Total other short-term temporary differences	**7,808**	**592**	**(484)**	**(238)**	**378**	**8,056**

At the balance sheet date, the group has unused US tax losses available for offset against future profits. At September 30 2015 a deferred tax asset of £2.7m (2014: £2.1m) has been recognised in relation to these losses. The US losses can be carried forward for a period of 20 years from the date they arose. The US losses have expiry dates between 2015 and 2030.

At the balance sheet date, the group has unused UK tax losses available for offset against future profits. At September 30 2015 a deferred tax asset of £1.6m (2014: nil) has been recognised in relation to these losses. There is no expiry date on these losses.

The directors are of the opinion, that based on recent and forecast trading, it is probable that the level of profits in future years is sufficient to enable the above assets to be recovered.

No deferred tax liability is recognised on temporary differences of £228.0m (2014: £181.0m) relating to the unremitted earnings of overseas subsidiaries as the group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. The temporary differences at September 30 2015 represent only the unremitted earnings of those overseas subsidiaries where remittance to the UK of those earnings may still result in a tax liability, principally as a result of dividend withholding taxes levied by the overseas tax jurisdictions in which these subsidiaries operate.

Under IFRS deferred tax is calculated at the tax rate that has been enacted or substantively enacted at the balance sheet date. Legislation was substantively enacted in October 2015, after the balance sheet date, to reduce the main rate of UK corporation tax from 20% to 19% from April 1 2017 and for a further reduction from 19% to 18% from April 1 2020. If UK deferred tax balances were to be revalued at these rates the impact would not be material.

22 CALLED UP SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid		
128,248,894 ordinary shares of 0.25p each (2014: 128,133,417 ordinary shares of 0.25p each)	**320**	320

During the year, 115,477 ordinary shares of 0.25p each (2014: 1,676,093 ordinary shares) with an aggregate nominal value of £289 (2014: £4,191) were issued following the exercise of share options granted under the company's share option schemes for a cash consideration of £0.5m (2014: £0.3m).

23 SHARE-BASED PAYMENTS

The group's long-term incentive credit/(expense) at September 30 comprised:

	2015 £000	2014 £000
Equity-settled options		
SAYE	**(102)**	(144)
CAP 2010	**34**	165
CAP 2014	**2,057**	(2,057)
	1,989	(2,036)
Cash-settled options		
CAP 2010	**35**	183
CAP 2014	**466**	(466)
Structured Retail Products Limited	**–**	(48)
	501	(331)
	2,490	(2,367)

The total carrying value of cash-settled options at September 30 included in the Statement of Financial Position is:

	2015 £000	2014 £000
Current liabilities	**71**	147
Non-current liabilities	**–**	466
	71	613

Equity-settled options

The options set out on page 124 are outstanding at September 30 and are options to subscribe for new ordinary shares of 0.25p each in the company. The total credit recognised in the year from equity-settled options was £2.0m, representing 80% of the group's long-term incentive credit (2014: charge £2.0m, 86%).

Notes to the Consolidated Financial Statements
continued

23 SHARE-BASED PAYMENTS *continued*

Number of ordinary shares under option: 2015

	2014	Granted during year	Exercised during year	Lapsed/ forfeited during year	2015	Option price (£)	Weighted average market price at date of exercise (£)
Period during which option may be exercised:							
SAYE							
Between February 1 2015 and July 31 2015	**106,243**	**–**	**(106,243)**	**–**	**–**	**4.97**	**10.43**
Between February 1 2016 and July 31 2016	**53,851**	**–**	**(1,955)**	**(7,840)**	**44,056**	**6.39**	**11.24**
Between February 1 2017 and July 31 2017	**60,523**	**–**	**(680)**	**(12,861)**	**46,982**	**9.17**	**10.99**
Between February 1 2018 and July 31 2018	**–**	**152,917**	**–**	**(22,360)**	**130,557**	**8.15**	**–**
CAP 2010							
Before September 30 2020 (tranche 2)	**55,421**	**–**	**(6,599)**	**(7,889)**	**40,933**	**0.0025**	**10.47**
CSOP 2010							
Before February 14 2020 (UK)	**279**	**–**	**–**	**(279)**	**–**	**6.03**	**–**
CAP 2014							
Before September 30 2023[1]	**2,097,363**	**–**	**–**	**–**	**2,097,363**	**0.0025**	**–**
CSOP 2014							
Before September 30 2023 (UK)	**400,512**	**–**	**–**	**–**	**400,512**	**11.16**	**–**
Before September 30 2023 (Canada)	**116,519**	**–**	**–**	**–**	**116,519**	**11.16**	**–**
	2,890,711	**152,917**	**(115,477)**	**(51,229)**	**2,876,922**		

The options outstanding at September 30 2015 had a weighted average exercise price of £2.62 and a weighted average remaining contractual life of 7.52 years.

Number of ordinary shares under option: 2014

	2013	Granted during year	Exercised during year	Lapsed/ forfeited during year	2014	Option price (£)	Weighted average market price at date of exercise (£)
Period during which option may be exercised:							
Executive options							
Before January 28 2014	8,000	–	(8,000)	–	–	4.19	12.32
SAYE							
Between February 1 2014 and July 31 2014	19,193	–	(18,238)	(955)	–	5.65	12.63
Between February 1 2015 and July 31 2015	126,153	–	(4,273)	(15,637)	106,243	4.97	11.74
Between February 1 2016 and July 31 2016	63,000	–	(187)	(8,962)	53,851	6.39	11.06
Between February 1 2017 and July 31 2017	–	67,309	–	(6,786)	60,523	9.17	–
CAP 2010							
Before September 30 2020 (tranche 1)	10,468	–	(10,468)	–	–	0.0025	12.48
Before September 30 2020 (tranche 2)	1,709,846	–	(1,611,158)	(43,267)	55,421	0.0025	12.48
CSOP 2010							
Before February 14 2020 (UK)	24,048	–	(23,769)	–	279	6.03	12.48
CAP 2014							
Before September 30 2023[1]	–	2,097,363	–	–	2,097,363	0.0025	–
CSOP 2014							
Before September 30 2023 (UK)	–	400,512	–	–	400,512	11.16	–
Before September 30 2023 (Canada)	–	116,519	–	–	116,519	11.16	–
	1,960,708	2,681,703	(1,676,093)	(75,607)	2,890,711		

The options outstanding at September 30 2014 had a weighted average exercise price of £2.49 and a weighted average remaining contractual life of 8.38 years.

23 SHARE-BASED PAYMENTS *continued*

[1] The allocation of the number of options granted under each tranche of the CAP and CSOP UK and CSOP Canada represents the directors' best estimate. The CAP award is reduced by the number of options vesting under the respective CSOP schemes (see the Directors' Remuneration Report for further details).

Cash-settled options

The group has liabilities in respect of two share option schemes that are classified by IFRS 2 'Share-based Payments' as cash-settled. These consist of the cash element of the CAP 2010 and the CAP 2014 scheme.

Share Option Schemes

The company has three share option schemes for which an IFRS 2 'Share-based payments' charge has been recognised. Details of these schemes are set out in the Directors' Remuneration Report on pages 60 to 62. The fair value per option granted and the assumptions used in the calculation are shown below.

Save as You Earn (SAYE) options

	SAYE		
Date of grant	**14 December 20 2012**	**15 December 12 2013**	**16 December 22 2014**
Market value at date of grant (p)	**798**	**1,146**	**1,019**
Option price (p)	**639**	**917**	**815**
Option life (years)	**3.5**	**3.5**	**3.5**
Expected term of option (grant to exercise (years))	**3.0**	**3.0**	**3.0**
Exercise price (p)	**639**	**917**	**815**
Risk-free rate	**0.53%**	**0.53%**	**0.61%**
Dividend yield	**2.31%**	**2.50%**	**2.29%**
Volatility	**27%**	**22%**	**24%**
Fair value per option (£)	**1.93**	**2.42**	**2.34**

The SAYE options were valued using the Black–Scholes option-pricing model. Expected volatility was determined by calculating the historical volatility of the group's share price over a period of three years. The expected term of the option used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Capital Appreciation Plan (CAP) and Company Share Option Plan (CSOP)

	CAP 2010		CAP 2014		CSOP 2014	
	Tranche 2	**Tranche 1**	**Tranche 2**	**Tranche 3**	**UK**	**Canada**
Date of grant	**March 30 2010**	**June 20 2014**	**June 20 2014**	**June 20 2014**	**June 20 2014**	**June 20 2014**
Market value at date of grant (p)	**501**	**1,115.67**	**1,115.67**	**1,115.67**	**1,115.67**	**1,115.67**
Option price (p)	**0.25**	**0.25**	**0.25**	**0.25**	**1,115.67**	**1,115.67**
Option life (years)	**10**	**9.28**	**9.28**	**9.28**	**9.28**	**9.28**
Expected term of option (grant to exercise (years))	**5**	**4**	**5**	**6**	**4**	**4**
Exercise price (p)	**0.25**	**0.25**	**0.25**	**0.25**	**1115.67***	**1115.67***
Risk-free rate	**2.75%**	**1.50%**	**1.90%**	**2.30%**	**1.50%**	**1.50%**
Dividend growth	**7.00%**	**8.43%**	**8.43%**	**8.43%**	**8.43%**	**8.43%**
Fair value per option (£)	**4.20**	**9.89**	**9.57**	**9.19**	**9.89**	**9.89**

Notes to the Consolidated Financial Statements
continued

23 SHARE-BASED PAYMENTS *continued*

Each CAP award comprises two elements – an option to subscribe for ordinary shares of 0.25p each in the company at an exercise price of 0.25p per ordinary share, and a right to receive a cash payment.

The CAP options were valued using a fair value model that adjusted the share price at the date of grant for the net present value of expected future dividend streams up to the date of expected exercise. The expected term of the option used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The number of CSOP 2014 awards that vest proportionally reduce the number of shares that vest under the CAP 2014 respectively. The CSOP is effectively a delivery mechanism for part of the CAP award. The CSOP 2014 options have an exercise price of £11.16, which will be satisfied by a funding award mechanism which results in the same net gain[1] on these options delivered in the equivalent number of shares to participants as if the same award had been delivered using 0.25 pence CAP options. The amount of the funding award will depend on the company's share price at the date of vesting. Because of the above and the other direct links between the CSOP 2014 and the CAP 2014, including the identical performance criteria, IFRS 2 'Share based payments' combines the two plans and treats them as one plan.

[1] Net gain on the CSOP options is the market price of the company's shares at the date of exercise less the exercise price multiplied by the number of options exercised.
* Exercise price excludes the effect of the funding award.

24 ACQUISITION COMMITMENTS AND DEFERRED CONSIDERATION

The group is party to contingent consideration arrangements in the form of both acquisition commitments and deferred consideration payments. The group recognises the discounted present value of the contingent consideration. This discount is unwound as a notional interest charge to the Income Statement. The group regularly performs a review of the underlying businesses to assess the impact on the fair value of the contingent consideration. Any resultant change in these fair values is reported as a finance income or expense in the Income Statement.

	Acquisition commitments		Deferred consideration	
	2015	2014	**2015**	2014
	£000	£000	**£000**	£000
At October 1	**13,365**	15,037	**8,503**	11,646
Reduction from disposals during the year	**–**	–	**(269)**	(2,214)
Net movements in finance income and expense during the year (note 7)	**(4,748)**	(1,298)	**2,851**	1,873
Exercise of commitments	**(109)**	(247)	**–**	–
Paid during the year	**–**	(111)	**(11,558)**	(2,738)
Exchange differences to reserves	**663**	(16)	**(116)**	(64)
At September 30	**9,171**	13,365	**(589)**	8,503

Included in the movements of acquisition commitments and deferred consideration are fair value adjustments of £3.5m and £1.7m respectively for CIE (for further detail see note 2).

Exchange differences to reserves were recorded within net exchange differences on translation of net investments in overseas subsidiary undertakings in the Statement of Comprehensive Income.

Reconciliation of finance income and expense (note 7):

	Acquisition commitments		Deferred consideration	
	2015	2014	**2015**	2014
	£000	£000	**£000**	£000
Fair value adjustment during the year	**(5,727)**	(2,682)	**2,617**	800
Imputed interest	**979**	1,384	**234**	1,073
Net movements in finance income and expense during the year	**(4,748)**	(1,298)	**2,851**	1,873

24 ACQUISITION COMMITMENTS AND DEFERRED CONSIDERATION *continued*

Maturity profile of contingent consideration:

	Acquisition commitments		Deferred consideration	
	2015 £000	2014 £000	**2015 £000**	2014 £000
Assets				
Within one year (included in current assets)	**–**	–	**(331)**	(354)
In more than one year (included in non-current assets)	**–**	–	**(258)**	(1,532)
	–	–	**(589)**	(1,886)
Liabilities				
Within one year (included in current liabilities)	**–**	2,088	**–**	10,389
In more than one year (included in non-current liabilities)	**9,171**	11,277	**–**	–
	9,171	13,365	**–**	10,389
Net liabilities/(assets)	**9,171**	13,365	**(589)**	8,503

There is a deferred tax asset of £nil (2014: £40,000) related to the acquisition commitments.

The value of the acquisition commitments and deferred consideration is subject to a number of assumptions. The potential undiscounted amount of all future payments that the group could be required to make under the acquisition contingent consideration arrangements is as follows:

	2015		2014	
	Maximum £000	**Minimum £000**	Maximum £000	Minimum £000
NDR	**40,121**	**–**	37,404	–
Insider Publishing	**–**	**–**	11,653	–
TTI/Vanguard	**–**	**–**	4,026	–
CIE	**–**	**–**	5,582	–
	40,121	**–**	58,665	–

The potential undiscounted amount of all future receipts that the group could receive under the disposal contingent consideration arrangement is as follows:

	2015		2014	
	Maximum £000	**Minimum £000**	Maximum £000	Minimum £000
MIS Training	**330**	**–**	3,466	–
II Newsletters	**258**	**–**	–	–

The discounted acquisition commitment and deferred consideration are based on pre-determined multiples of future profits of the businesses, and have been estimated on an acquisition-by-acquisition basis using available performance forecasts. The directors derive their estimates from internal business plans and financial due diligence. At September 30 2015, the weighted average growth rates used in estimating the expected profits range was 23%.

A one percentage point increase or decrease in growth rate in estimating the expected profits, results in the acquisition commitment at September 30 2015 increasing or decreasing by £0.1m with the corresponding change to the value at September 30 2015 charged to the Income Statement in future periods.

Notes to the Consolidated Financial Statements

continued

25 OPERATING LEASE COMMITMENTS

At September 30 the group had committed to make the following payments in respect of operating leases on land and buildings:

	2015 £000	2014 £000
Within one year	**6,749**	9,804
Between two and five years	**19,671**	21,558
After five years	**26,388**	26,810
	52,808	58,172

The group's operating leases do not include any significant leasing terms or conditions.

At September 30 the group had contracted with tenants to receive the following payments in respect of operating leases on land and buildings:

	2015 £000	2014 £000
Within one year	**1,614**	1,195
Between two and five years	**2,882**	2,646
After five years	**1,114**	–
	5,610	3,841

26 RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The group operates the following defined contribution schemes: DMGT PensionSaver and the Metal Bulletin Group Personal Pension Plan in the UK and the 401(k) savings and investment plan in the US. It also participates in the Harmsworth Pension Scheme, a defined benefit scheme which is operated by Daily Mail and General Trust plc (DMGT) but is accounted for in Euromoney Institutional Investor PLC as a defined contribution scheme.

In compliance with legislation the group operates a defined contribution plan, DMGT PensionSaver, into which relevant employees are automatically enrolled.

The pension charge in respect of defined contribution schemes for the year ended September 30 comprised:

	2015 £000	2014 £000
DMGT Pension Plan/PensionSaver	**1,991**	1,780
Metal Bulletin Group Personal Pension Plan	**16**	15
Private schemes	**1,020**	967
Harmsworth Pension Scheme	**89**	90
	3,116	2,852

Euromoney PensionSaver and Euromoney Pension Plan

During the year the Euromoney PensionSaver was amalgamated into the "DMGT PensionSaver" together with other DMGT group PensionSaver arrangements. DMGT PensionSaver is a group personal pension plan and is the principal pension arrangement offered to employees of the group. Contributions are paid by the employer and employees. Employees are able to contribute a minimum of 2% of salary with an equal company contribution in the first three years of employment and thereafter at twice the employee contribution rate, up to a maximum employer contribution of 10% of salary. Assets are invested in funds selected by members and held independently from the company's finances. The investment and administration is undertaken by Fidelity Pension Management.

26 RETIREMENT BENEFIT SCHEMES *continued*

The Euromoney Pension Plan was part of the DMGT Pension Trust, an umbrella trust under which DMGT UK trust-based defined contribution plans were held. The benefits for all members of this scheme were transferred to individual policies held in the member's own name during 2014. This process was completed in November 2014 and the scheme was formally wound up. Insured death benefits previously held under this trust have also been transferred to a new trust-based arrangement specifically for life assurance purposes.

Metal Bulletin Group Personal Pension Plan

The Metal Bulletin Group Personal Pension Plan is a defined contribution arrangement under which contributions are paid by the employer and employees. The scheme is closed to new members.

The plan's assets are invested under trust in funds selected by members and held independently from the company's finances. The investment and administration of the plan is undertaken by Skandia Life Group.

Private schemes

Institutional Investor LLC contributes to a 401(k) savings and investment plan for its employees which is administered by an independent investment provider. Employees are able to contribute up to 50% of salary (maximum of US$52,000 a year) with the company matching up to 50% of the employee contributions, up to 6% of salary.

Harmsworth Pension Scheme

The Harmsworth Pension Scheme is a defined benefit scheme operated by DMGT. The scheme is closed to new entrants. Existing members still in employment can continue to accrue benefits in the scheme on a cash balance basis, with members building up a retirement account that they can use to buy an annuity from an insurance company at retirement.

Full actuarial valuations of the defined benefit schemes are carried out triennially by the Scheme Actuary. As a result of the valuations of the main schemes as at March 31 2013, DMGT makes annual contributions of 12% or 18% of members' basic pay (depending on membership section). In addition, in accordance with the agreed recovery plan, DMGT made payments of £23.2m in the year to September 30 2015. In February 2014 DMGT agreed with the trustees that should it continue its share buy-back programme it would make payments to the schemes amounting to 20% of the value of shares bought back. Contributions of £14.4m relating to this agreement were made in the year to September 30 2015.

DMGT enabled the trustee of the scheme to acquire a beneficial interest in a Limited Partnership investment vehicle (LP). The LP was designed to facilitate payment of part of the deficit funding payments described above over a period of 15 years to 2026. In addition, the LP is required to make a final payment to the scheme of £150.0m or the funding deficit within the scheme on an ongoing actuarial valuation basis at the end of the 15 year period if this is less. For funding purposes, the interest held by the trustee in the LP is treated as an asset of the scheme and reduces the actuarial deficit within the scheme. However, under IAS 19 'Employee Benefits' the LP is not included as an asset of the scheme and therefore is not included in the calculation of the deficit.

The group is unable to identify its share of the underlying assets and liabilities in the Harmsworth Pension Scheme. The scheme is operated on an aggregate basis with no segregation of the assets to individual participating employers and, therefore, the same contribution rate is charged to all participating employers (i.e. the contribution rate charged to each employer is affected by the experience of the schemes as a whole). The scheme is therefore accounted for as a defined contribution scheme by the group. This means that the pension charge reported in these financial statements is the same as the cash contributions due in the period. The group's pension charge for the Harmsworth Pension Scheme for the year ended September 30 2015 was £89,000 (2014: £90,000). The expected cash contribution for the year to September 30 2016 is £70,000. There are six active Euromoney members in the scheme, out of a total of 728 active members.

DMGT is required to account for the Harmsworth Pension Scheme under IAS 19. The IAS 19 disclosures in the Annual Report and Accounts of DMGT have been based on the formal valuation of the scheme as at March 31 2013, and adjusted to September 30 2015 taking account of membership data at that date. The calculations are adjusted to allow for the assumptions and actuarial methodology required by IAS 19. These showed that the market value of the scheme's assets was £1,915.3m (2014: £1,820.5m) and that the actuarial value of these assets represented 91.6% (2014: 90.0%) of the benefits that had accrued to members (also calculated in accordance with IAS 19).

Notes to the Consolidated Financial Statements
continued

26 RETIREMENT BENEFIT SCHEMES *continued*

Defined benefit scheme

Metal Bulletin Pension Scheme

The company operates the Metal Bulletin plc Pension Scheme (MBPS), a defined benefit scheme which is closed to new entrants.

A reconciliation of the net pension deficit reported in the Statement of Financial Position is shown in the following table:

	2015 £000	2014 £000
Present value of defined benefit obligation	**(34,452)**	(36,218)
Fair value of plan assets	**32,479**	31,431
Deficit reported in the Statement of Financial Position	**(1,973)**	(4,787)

The deficit for the year excludes a related deferred tax asset of £0.4m (2014: asset £1.0m).

The movements in the defined benefit liability over the year is as follows:

2015	**Present value of obligation 2015 £000**	**Fair value of plan assets 2015 £000**	**Net defined benefit liability 2015 £000**
At September 30 2014	**(36,218)**	**31,431**	**(4,787)**
Current service cost	**(57)**	**–**	**(57)**
Interest (expense)/income	**(1,363)**	**1,193**	**(170)**
Total charge recognised in Income Statement	**(1,420)**	**1,193**	**(227)**
Remeasurements:			
Return on plan assets, excluding amounts in interest expense/income	**–**	**(45)**	**(45)**
Gain due to change in demographic assumptions	**2,447**	**–**	**2,447**
Gain due to change in financial assumptions	**19**	**–**	**19**
Total gains/(losses) recognised in Statement of Comprehensive Income	**2,466**	**(45)**	**2,421**
Contributions - employers	**–**	**620**	**620**
Payments from the plans – benefit payments	**720**	**(720)**	**–**
At September 30 2015	**(34,452)**	**32,479**	**(1,973)**

26 RETIREMENT BENEFIT SCHEMES *continued*

2014	Present value of obligation 2014 £000	Fair value of plan assets 2014 £000	Net defined benefit liability 2014 £000
At September 30 2013	(32,702)	29,819	(2,883)
Current service cost	(55)	–	(55)
Interest (expense)/income	(1,380)	1,260	(120)
Total charge recognised in Income Statement	(1,435)	1,260	(175)
Remeasurements:			
Return on plan assets, excluding amounts in interest expense/income	–	1,363	1,363
Loss from changes in demographic assumptions	(774)	–	(774)
Loss from changes in financial assumptions	(3,184)	–	(3,184)
Experience gain	298	–	298
Total (losses)/gains recognised in Statement of Comprehensive Income	(3,660)	1,363	(2,297)
Contributions – employers	–	568	568
Contributions – plan participants	(12)	12	–
Payments from the plans – benefit payments	1,591	(1,591)	–
At September 30 2014	(36,218)	31,431	(4,787)

The major categories and fair values of plan assets are as follows:

	2015 £000	2014 £000
Equities	**10,853**	9,117
Bonds	**18,923**	19,977
With profits policy	**2,567**	2,050
Cash and cash equivalents	**136**	287
	32,479	31,431

All the assets listed above excluding cash and cash equivalents have a quoted market price in an active market. The assets do not include any of the group's own financial instruments nor any property occupied by, or other assets used by, the group. The actual return on plan assets was £1.1m (2014: £2.6m).

The figures in this note are based on calculations carried out in connection with the actuarial valuation of the scheme as at June 1 2013 adjusted to September 30 2015 by the actuary. The key financial assumptions adopted are as follows:

	2015	2014
Discount rate	**3.7% p.a.**	3.8% p.a.
Inflation	**2.95% p.a.**	3.3% p.a.
Salary growth rate	**2.5% p.a.**	2.5% p.a.
Pension increase in deferment	**2.8% p.a.**	3.3% p.a.
Pension increases in payment:		
– Pensions earned from June 1 2002 to June 30 2006	**2.8% p.a.**	3.3% p.a.
– Pensions earned from July 1 2006	**2.8% p.a.**	2.5% p.a.

The discount rate for scheme liabilities reflects yields at the balance sheet date on high quality corporate bonds. All assumptions were selected after taking actuarial advice.

Notes to the Consolidated Financial Statements
continued

26 RETIREMENT BENEFIT SCHEMES *continued*

The average duration of the defined benefit obligation at the end of the year is approximately 21 years (2014: 21 years).

Assumed life expectancy in years, on retirement at 62	**2015**	2014
Retiring at the end of the reporting year:		
Males	**25.1**	26.3
Females	**26.9**	28.6
Retiring 20 years after the end of the reporting year:		
Males	**27.3**	29.6
Females	**29.2**	31.9

Pension costs and the size of any pension surplus or deficit are sensitive to the assumptions adopted. The sensitivity of the defined obligation to changes in the weighted principal assumptions is:

Assumption	**Change in assumption**	**Change in liabilities**
Discount rate	**Increase by 0.1%**	**Decrease by 2.0%**
Rate of inflation	**Increase by 0.1%**	**Increase by 0.5%**
Rate of salary growth	**Increase by 0.25%**	**Increase by 0.1%**
Life expectancy	**Increase by one year**	**Increase by 3.0%**

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The sensitivity of the defined benefit obligation to significant actuarial assumptions has been estimated by projecting the results of the last full actuarial valuation as at June 1 2013 forward to September 30 2015.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through the MBPS, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit. The actual investment strategy adopted by the trustees is not to be fully invested in corporate bonds and holds a significant proportion of equities which are expected to outperform corporate bonds in the long term while providing volatility and risk in the short term. As the plans mature, the group tends to reduce the level of investment risk by investing more in assets that better match the liabilities.

Changes in bond yields

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value in the plans' bond holdings.

Inflation risk

A significant proportion of the defined benefit obligation is linked to inflation; therefore, higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place). The majority of the plan's assets are either unaffected by inflation or only loosely correlated with inflation, meaning that an increase in inflation will also decrease the deficit.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan's liabilities.

26 RETIREMENT BENEFIT SCHEMES *continued*

Life expectancy

The present value of the defined pension plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in life expectancy will increase the plan's liabilities.

A full actuarial valuation of the defined benefit scheme is carried out triennially by the Scheme Actuary. The latest valuation of the MBPS was completed as at June 1 2013. As a result of the valuation, the company agreed to make annual contributions of 38.9% per annum of pensionable salaries, plus £42,400 per month to the scheme. The next triennial is due to be completed as at June 1 2016. The group considers that the contributions set at the last valuation date are sufficient to eliminate the deficit and that regular contributions, which are based on service costs, will not increase significantly.

The group expects to contribute approximately £0.5m (2014: expected contribution in 2015 of £0.5m) to the MBPS during the 2016 financial year.

Expected maturity analysis of discounted pension benefits:

		Term to retirement			
	Pensioners	**Within 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Proportion of total liabilities (funding basis)	**55.7%**	**0.6%**	**5.0%**	**8.0%**	**30.7%**

27 CONTINGENT LIABILITIES

Claims in Malaysia

Four writs claiming damages for libel were issued in Malaysia against the company and three of its employees in respect of an article published in one of the company's magazines, International Commercial Litigation, in November 1995. The writs were served on the company on October 22 1996. Two of these writs have been discontinued. The total outstanding amount claimed on the two remaining writs is Malaysian ringgit 82.6m (£12.4m). No provision has been made for these claims in these financial statements as the directors do not believe the company has any material liability in respect of these writs.

28 RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption allowed under IAS 24 'Related Party Disclosures' not to disclose transactions and balances between group companies that have been eliminated on consolidation. Other related party transactions and balances are detailed below:

i. The group had borrowings under a US$160m multi-currency facility with Daily Mail and General Holdings Limited (DMGH), a Daily Mail and General Trust plc (DMGT) group company, as follows:

	2015 US$000	**2015 £000**	2014 US$000	2014 £000
Amounts owing under US$ facility at September 30	**–**	**–**	62,486	38,543
Amounts owing under GBP facility at September 30	**–**	**–**	–	7,895
Amounts due under current account facility at September 30	**–**	**–**	(1,234)	(761)
	–	**–**	61,252	45,677
Fees on the available facility for the year	**–**	**733**	–	417

The loan was fully paid at September 2015.

Notes to the Consolidated Financial Statements

continued

28 RELATED PARTY TRANSACTIONS *continued*

ii. On August 3 2015 the company entered into a deposit agreement with DMGH:

	2015 US$000	**2015 £000**	2014 US$000	2014 £000
Deposits denominated in US$ at September 30	**1,787**	**1,182**	–	–
Deposits denominated in GBP at September 30	**–**	**8,617**	–	–
	1,787	**9,799**	–	–

iii. During the year the group expensed services provided by DMGT, the group's parent, and other fellow group companies, as follows:

	2015 £000	2014 £000
Services expensed	**849**	503

iv. During the year DMGT group companies surrendered tax losses to Euromoney Consortium Limited under an agreement between the two groups. These tax losses are relievable against UK taxable profits of the group under HMRC's consortium relief rules:

	2015 £000	2014 £000
Amounts payable	**1,787**	1,626
Tax losses with tax value	**2,383**	2,168
Amounts owed by DMGT group at September 30	**(313)**	(387)

v. DMGT group companies have an agreement to surrender tax losses to Euromoney Consortium 2 Limited. These tax losses are relievable against UK taxable profits of the group under HMRC's consortium relief rules:

	2015 £000	2014 £000
Amounts payable	**–**	226
Tax losses with tax value	**–**	302
Amounts owed by DMGT group at September 30	**(202)**	(226)

vi. During the year, in an arm's length transaction, the group sold a property to Mintel Limited for a consideration of £2.3m. N Berry, a director of DMGT, owns 97% of Mintel Limited through a family holding.

vii. NF Osborn serves as an advisor to the boards of both DMG Events and dmgi, fellow group companies, for which he received a combined fee of US$18,600 (2014: US$23,638).

viii. During the year the group received dividends from its associate undertakings:

	2015 £000	2014 £000
Capital NET Limited	**123**	291
GGA Pte. Limited	**–**	32
	123	323

28 RELATED PARTY TRANSACTIONS *continued*

ix. The directors who served during the year received dividends of £0.2m (2014: £0.2m) in respect of ordinary shares held in the company.

x. The compensation paid or payable for key management is set out below. Key management includes the executive and non-executive directors as set out in the Directors' Remuneration Report and other key divisional directors who are not on the board.

Key management compensation

	2015 £000	2014 £000
Salaries and short-term employee benefits	**12,276**	13,119
Non-executive directors' fees	**223**	223
Post-employment benefits	**278**	268
	12,777	13,610
Of which:		
Executive directors	**7,596**	8,977
Non-executive directors	**223**	223
Divisional directors	**4,958**	4,410
	12,777	13,610

Details of the remuneration of directors is given in the Directors' Remuneration Report.

29 EVENTS AFTER THE BALANCE SHEET DATE

A board meeting was held on November 18 2015 and a number of board changes were implemented as proposed by the nominations committee. The nominations committee agreed that:

- the chairman of the board be changed to a non-executive role and that JC Botts be appointed as the non-executive chairman in an interim capacity until such time as the company appoints a permanent independent non-executive chairman;
- A Rashbass's role as executive chairman be changed to the new role of chief executive officer;
- A Rashbass to step down as chairman of the nominations committee and JC Botts to replace A Rashbass as chairman of the nominations committee until an independent non-executive chairman has been appointed;
- CHC Fordham to step down from the nominations committee; and
- the number of executive directors on the board to reduce and accordingly CHC Fordham, NF Osborn, JL Wilkinson, DE Alfano and B AL-Rehany not to seek re-election at the company's next AGM in January 2016.

The directors propose a final dividend of 16.40p per share (2014: 16.00p) totalling £20.7m (2014: £20.2m) for the year ended September 30 2015. The dividend will be submitted for formal approval at the AGM to be held on January 28 2016. In accordance with IAS 10 'Events after the Reporting Period', these financial statements do not reflect this dividend payable but will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending September 30 2016.

There were no other events after the balance sheet date.

Notes to the Consolidated Financial Statements

continued

30 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Rothermere Continuation Limited (RCL) is a holding company incorporated in Bermuda. The main asset of RCL is its 100% holding of Daily Mail and General Trust plc (DMGT) Ordinary Shares. RCL has controlled DMGT for many years and as such is DMGT's immediate parent company.

RCL is owned by a trust which is held for the benefit of The Viscount Rothermere and his immediate family. The trust represents the ultimate controlling party of the company.

Both RCL and the trust are administered in Jersey, in the Channel Islands. RCL and its directors, and the trust and its beneficiaries, are related parties of the company.

The immediate parent of the company is DMG Charles Limited, a wholly owned subsidiary of DMGT.

The largest and smallest group of which the company is a member and for which group accounts are drawn up is that of DMGT, incorporated in Great Britain and registered in England and Wales. Copies of its report and accounts are available from:

The company secretary
Daily Mail and General Trust plc
Northcliffe House, 2 Derry Street
London W8 5TT
www.dmgt.co.uk

31 LIST OF SUBSIDIARIES

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries and partnerships, the country of incorporation and the effective percentage of equity owned included in these consolidated financial statements at September 30 2015 are disclosed below:

Company	Proportion held	Principal activity and operation	Country of incorporation
Euromoney Institutional Investor PLC	n/a	Investment holding company	United Kingdom
ABF 1 Limited	100%	Dormant	United Kingdom
ABF 2 Limited	100%	Dormant	United Kingdom
Adhesion Asia Limited	100%	Events	Hong Kong
Adhesion Group S.A.	100%	Events	France
Asia Business Forum (Singapore) Pte Ltd	100%	Dormant	Singapore
Asia Business Forum (Thailand) Limited	100%	Dormant	Thailand
Asia Business Forum SDN. BHD	100%	Dormant	Malaysia
BCA Research, Inc.	100%	Research and data services	Canada
Benchmark Financials Ltd	100%	Dormant	Colombia
BPR Associados Limitada	100%	Dormant	Colombia
BPR Benchmark Limitada	100%	Dormant	Colombia
Bright Milestone Limited	100%	Investment holding company	Hong Kong
Business Forum Group Holdings Ltd	100%	Dormant	Thailand
CEIC Data - Internet Securities Japan K.K	100%	Information services	Japan
CEIC Data (SG) Pte Ltd	100%	Information services	Singapore
CEIC Data (Shanghai) Co Ltd	100%	Information services	China
CEIC Data (Thailand) Co Ltd	100%	Information services	Thailand
CEIC Data Korea Limited	100%	Information services	Korea
CEIC Holdings Limited	100%	Information services	Hong Kong
CEICdata.com (Malaysia) Sdn Bhd	100%	Information services	Malaysia
Centre for Investor Education (UK) Limited	75%	Investment holding company	United Kingdom
Centre for Investor Education Pty Limited	75%	Events	Australia
EII (Ventures) Limited	100%	Investment holding company	United Kingdom
EII Holdings, Inc.	100%*	Investment holding company	US
EII US, Inc.	100%	Investment holding company	US
EIMN LLC	100%	Events	US
Euromoney (Singapore) Pte Limited	100%	Events	Singapore

Company	Proportion held	Principal activity and operation	Country of incorporation
Euromoney Canada Limited	100%	Investment holding company	United Kingdom
Euromoney Charles Limited	100%	Investment holding company	United Kingdom
Euromoney Consortium 2 Limited	99.7%	Investment holding company	United Kingdom
Euromoney Consortium Limited	99.7%	Investment holding company	United Kingdom
Euromoney ESOP Trustee Ltd	100%	Dormant	United Kingdom
Euromoney Global Limited	99.7%	Publishing and events	United Kingdom
Euromoney Guarantee Limited	100%	Dormant	United Kingdom
Euromoney Holdings US, Inc	100%	Investment holding company	US
Euromoney Institutional Investor (Jersey) Limited	100%†	Publishing, training and events	Jersey
Euromoney Jersey Limited	100%‡	Investment holding company	Jersey
Euromoney Luxembourg S.a.r.l	100%	Investment holding company	Luxembourg
Euromoney Partnership LLP	100%	Investment holding company	United Kingdom
Euromoney Polska SP Zoo	100%	Information services	Poland
Euromoney Publications (Jersey) Limited	100%	Investment holding company	Jersey
Euromoney Trading Limited	99.7%	Publishing, training and events	United Kingdom
Euromoney Training, Inc.	100%	Training	US
Family Office Network Limited	100%	Information services	United Kingdom
Fantfoot Limited	100%	Investment holding company	United Kingdom
GGA Pte. Limited	100%	Events	Singapore
Glenprint Limited	99.7%	Publishing	United Kingdom
Global Commodities Group Sarl	100%	Events	Switzerland
GSCS Benchmarks Limited	99.7%	Dormant	United Kingdom
Gulf Publishing Company, Inc.	100%	Publishing	US
HedgeFund Intelligence Limited	99.7%	Dormant	United Kingdom
Insider Publishing Limited	99.7%	Publishing	United Kingdom
Institutional Investor LLC	100%	Publishing and events	US
Institutional Investor Networks UK Limited	100%	Information services	United Kingdom
Internet Data Services (I) Pvt Ltd	100%	Information services	India
Internet Securities (BVI) Ltd	100%	Dormant	Colombia
Internet Securities Argentina S.A.	100%	Dormant	Argentina
Internet Securities Brazil Ltda	100%	Information services	Brazil
Internet Securities Bulgaria EOOD	100%	Information services	Bulgaria
Internet Securities de Chile Ltda	100%	Information services	Chile
Internet Securities de Mexico SDeRLdeCV	100%	Information services	Mexico
Internet Securities Egypt Ltd	100%	Information services	Egypt
Internet Securities Hong Kong Ltd	100%	Information services	Hong Kong
Internet Securities Istanbul Bilgi Merkezi Ltd STI	100%	Dormant	Turkey
Internet Securities Limited	100%	Information services	United Kingdom
Internet Securities Magyarorszag Kft	100%	Dormant	Hungary
Internet Securities Shanghai Limited	100%	Information services	China
Internet Securities, Inc.	100%	Information services	US
ISI Emerging Markets, South Africa (Pty) Ltd	100%	Dormant	South Africa
Latin American Financial Publications, Inc.	100%	Publishing	US
Metal Bulletin Holdings LLC	100%	Investment holding company	US
Ned Davis Research, Inc.	84.5%	Research and data services	US
Redquince Limited	100%	Investment holding company	United Kingdom
Steel First Limited	100%	Information services	United Kingdom
Storas Holdings Pte Ltd	100%	Dormant	Singapore
Tipall Limited	100%	Property holding	United Kingdom
TTI Technologies LLC	100%	Events	US

* 100% preference shares held in addition.
† Euromoney Institutional Investor (Jersey) Limited's principal country of operation is Hong Kong.
‡ Euromoney Jersey Limited's principal country of operation is United Kingdom.

Notes to the Consolidated Financial Statements
continued

31 LIST OF SUBSIDIARIES *continued*
All holdings are of ordinary shares. In addition, the group has a small number of branches outside the United Kingdom.

A list of associates, joint ventures and joint arrangements is disclosed in note 13.

For the year ended September 30 2015, the following subsidiary undertakings of the group were exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A of the Companies Act 2006:

Company	**Company registration number**
Euromoney Canada Limited	01974125
Euromoney Charles Limited	04082590
EII (Ventures) Limited	05885797
Euromoney Partnership LLP	0C363064
Fantfoot Limited	05503274
Internet Securities Limited	02976791
Redquince Limited	05994621
Steel First Limited	04002471
Family Office Network Limited	08667050

Company Balance Sheet

As at September 30 2015

	Notes	**2015 £000**	2014 £000
Fixed assets			
Tangible assets	4	**555**	3,130
Investments	5	**1,005,700**	937,499
		1,006,255	940,629
Current assets			
Debtors	6	**48,527**	31,954
Cash at bank and in hand		**9**	13
		48,536	31,967
Creditors: Amounts falling due within one year	7	**(61,888)**	(44,885)
Net current liabilities		**(13,352)**	(12,918)
Total assets less current liabilities		**992,903**	927,711
Creditors: Amounts falling due after more than one year	8	**(115,456)**	(101,172)
Net assets		**877,447**	826,539
Capital and reserves			
Called up share capital	11	**320**	320
Share premium account	15	**102,557**	102,011
Other reserve	15	**64,981**	64,981
Capital redemption reserve	15	**8**	8
Capital reserve	15	**1,842**	1,842
Own shares	15	**(21,582)**	(21,582)
Reserve for share-based payments	15	**37,169**	39,158
Fair value reserve	15	**1,358**	1,358
Profit and loss account	15	**690,794**	638,443
Equity shareholders' funds	16	**877,447**	826,539

Euromoney Institutional Investor PLC (registered number 954730) has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these accounts. The profit after taxation of Euromoney Institutional Investor PLC included in the group profit for the year is £81.4m (2014: £19.1m).

The accounts were approved by the board of directors on December 14 2015.

CHRISTOPHER FORDHAM
COLIN JONES
Directors

Notes to the Company Accounts

1 ACCOUNTING POLICIES

Basis of preparation

The accounts have been prepared under the historical cost convention except for financial instruments which have been measured at fair value and in accordance with applicable United Kingdom accounting standards and the United Kingdom Companies Act 2006. The accounting policies set out below have, unless otherwise stated, been applied consistently throughout the current and prior year. Having assessed the principal risks and the other matters discussed in connection with the viability statement, the directors consider it appropriate to adopt the going concern basis of accounting in preparing these accounts.

The company has taken advantage of the exemption from presenting a cash flow statement under the terms of FRS 1 (Revised) 'Cash Flow Statements'.

The company is also exempt under the terms of FRS 8 'Related Party Disclosures' from disclosing related party transactions with members of a group that are wholly owned by a member of that group.

Further, the company, as a parent company of a group drawing up consolidated financial statements that meet the requirements of IFRS 7 'Financial Instruments: Disclosure', is exempt from disclosures that comply with its UK GAAP equivalent, FRS 29 'Financial Statements: Disclosures'.

Turnover

Turnover represents income from subscriptions, net of value added tax.

Subscription revenues are recognised in the income statement on a straight-line basis over the period of the subscription.

Turnover invoiced but relating to future periods is deferred and treated as deferred income in the balance sheet.

Leased assets

Operating lease rentals are charged to the profit and loss account on a straight-line or other systematic basis as allowed by SSAP 21 'Accounting for Leases and Hire Purchase Contracts'.

Pension schemes

Details of the company's pension schemes are set out in note 26 to the group accounts. The company participates in the Harmsworth Pension Scheme, a defined benefit pension scheme which is operated by Daily Mail and General Trust plc. As there is no contractual agreement or stated policy for charging the net defined benefit cost for the plan as a whole to the individual entities, the company recognises an expense equal to its contributions payable in the period and does not recognise any unfunded liability of this pension scheme on its balance sheet.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation of tangible fixed assets is provided on a straight-line basis over their expected useful lives at the following rates per year:

Short-term leasehold premises: over term of lease.

Taxation

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

Deferred taxation is calculated under the provisions of FRS 19 'Deferred Taxation', and is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when the timing differences crystallise based on current tax rates and law. Deferred tax is not provided on timing differences on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are only recognised to the extent that it is regarded as more likely than not that they will be recovered.

Derivatives and other financial instruments

The company uses various derivative financial instruments to manage its exposure to interest rate risks, including interest rate swaps.

All derivative instruments are recorded in the balance sheet at fair value. Recognition of gains or losses on derivative instruments depends on whether the instrument is designated as a hedge and the type of exposure it is designed to hedge.

The effective portion of gains or losses on cash flow hedges are deferred in equity until the impact from the hedged item is recognised in the profit and loss account. The ineffective portion of such gains and losses is recognised in the profit and loss account immediately.

Gains or losses on the qualifying part of the foreign currency loans are recognised in the profit or loss account along with the associated foreign currency movement on the designated portion of the investment in subsidiaries.

Changes in the fair value of the derivative financial instruments that do not qualify for hedge accounting are recognised in the profit and loss account as they arise.

1 ACCOUNTING POLICIES *continued*

Subsidiaries

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect amendments from contingent consideration. Cost also includes directly attributable cost of investment.

Trade and other debtors

Trade receivables are recognised and carried at original invoice amount, less provision for impairment. A provision is made and charged to the profit and loss account when there is objective evidence that the company will not be able to collect all amounts due according to the original terms.

Cash at bank and in hand

Cash at bank and in hand includes cash, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less.

Dividends

Dividends are recognised as an expense in the period in which they are approved by the company's shareholders. Interim dividends are recorded in the period in which they are paid.

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that economic benefits will be required to settle the obligation. If material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Share-based payments

The company makes share-based payments to certain employees which are equity-settled. These payments are measured at their estimated fair value at the date of grant, calculated using an appropriate option pricing model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of the number of shares that will eventually vest. At the period end the vesting assumptions are revisited and the charge associated with the fair value of these options updated. In accordance with the transitional provisions, FRS 20 'Share-based Payments' has been applied to all grants of options after November 7 2002 that were unvested at October 1 2004, the date of application of FRS 20.

Notes to the Company Accounts
continued

2 STAFF COSTS

	2015 £000	2014 £000
Salaries, wages and incentives	**271**	255
Social security costs	**37**	35
Share-based compensation income/(costs) (note 12)	**68**	(21)
	376	269

Details of directors' remuneration are set out in the Directors' Remuneration Report on pages 46 to 69 and in note 6 to the group accounts.

The executive directors do not receive emoluments specifically for their services to this company.

3 REMUNERATION OF AUDITOR

	2015 £000	2014 £000
Fees payable for the audit of the company's annual accounts	**12**	390

PricewaterhouseCoopers LLP was appointed as the group's auditor for the year ended September 30 2015. Accordingly comparative figures in the table above for the year ended September 30 2014 are in respect of remuneration paid to the group's previous auditor, Deloitte LLP and other member firms of Deloitte Touche Tohmatsu Limited.

4 TANGIBLE ASSETS

	Short-term leasehold premises £000
Cost	
At October 1 2014	**9,488**
Disposals	**(8,760)**
At September 30 2015	**728**
Depreciation	
At October 1 2014	**6,358**
Charge for the year	**153**
Disposals	**(6,338)**
At September 30 2015	**173**
Net book value at September 30 2015	**555**
Net book value at September 30 2014	3,130

5 INVESTMENTS

	2015 Subsidiaries £000	2015 Investments in associated undertakings £000	2015 Total £000	2014 Subsidiaries £000	2014 Investments in associated undertakings £000	2014 Total £000
At October 1	**937,470**	**29**	**937,499**	934,179	29	934,208
Additions	**29,154**	**31,955**	**61,109**	–	–	–
Disposal	**(1,469)**	**(29)**	**(1,498)**	–	–	–
Exchange differences	**8,590**	**–**	**8,590**	3,291	–	3,291
At September 30	**973,745**	**31,955**	**1,005,700**	937,470	29	937,499

In April 2015, the company subscribed to 45,000 new ordinary shares of US$1 each in Fantfoot Limited for a total consideration of $45.0m.

Details of the principal subsidiary and associated undertakings of the company at September 30 2015 can be found in note 31 to the group accounts.

6 DEBTORS

	2015 £000	2014 £000
Amounts owed by DMGT group undertakings	**9,991**	485
Amounts owed by group undertakings	**20,395**	26,022
Other debtors	**13,544**	–
Deferred tax (note 10)	**–**	148
Prepayments and accrued income	**–**	473
Corporate tax	**4,597**	4,826
	48,527	31,954

Amounts owed by DMGT group undertakings is a deposit agreement entered into with DMGT in August 2015 to place any excess operating funds on deposit with DMGT at LIBID plus 0.5%.

Amounts owed by group undertakings include two (2014: three) loans totalling £20.4m (2014: £26.0m) that bore interest rates of 4.82% (2014: 3.92%) and repayable in September 2016.

Notes to the Company Accounts

continued

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £000	2014 £000
Bank overdrafts	**(6,816)**	(1,786)
Trade creditors	**(4)**	–
Amounts owed to group undertakings	**(54,444)**	(40,826)
Accruals and other creditors	**(18)**	(16)
Other taxation and social security	**–**	(282)
Provisions (note 9)	**(339)**	(1,485)
Loan notes	**(267)**	(490)
	(61,888)	(44,885)

Amounts owed to group undertakings include two loans totalling £31.1m (2014: one loan of £28.5m) with interest rates from zero percent to LIBOR (2014: zero percent) and repayable in October 2015 and September 2016. All other amounts owed to group undertakings are current account balances that are settled on a regular basis. As such the amounts owed to subsidiary undertakings are interest free and repayable on demand.

8 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £000	2014 £000
Amounts owed to group undertakings	**(114,696)**	(54,737)
Committed loan facility (see note 19 in the group accounts)	**–**	(45,677)
Provisions (note 9)	**(274)**	(758)
Other creditors	**(486)**	–
	(115,456)	(101,172)

Amounts owed to group undertakings include two loans totalling £114.7m (2014: £54.7m) with interest rates of 2.14% and repayable in February 2019.

9 PROVISIONS

	2015			2014		
	Onerous lease provision £000	**Dilapidations on leasehold properties £000**	**Total £000**	Onerous lease provision £000	Dilapidations on leasehold properties £000	Total £000
At October 1	**741**	**1,502**	**2,243**	–	2,302	2,302
Release/(provision) in the year	**–**	**(664)**	**(664)**	741	(789)	(48)
Used in the year	**(741)**	**(225)**	**(966)**	–	(11)	(11)
At September 30	**–**	**613**	**613**	741	1,502	2,243

	2015 £000	2014 £000
Maturity profile of provisions:		
Within one year	**339**	1,485
Between two and five years	**274**	758
	613	2,243

The provision represents the directors' best estimate of the amount likely to be payable on expiry of the company's property leases.

10 DEFERRED TAX

The deferred tax asset at September 30 comprised:

	2015 £000	2014 £000
Other short-term timing differences	**–**	148

	2015 £000	2014 £000
Movement in deferred tax:		
Deferred tax asset at October 1	**148**	-
Deferred tax credit in the profit and loss account	**(148)**	148
Deferred tax asset at September 30	**–**	148

A deferred tax asset of £nil (2014: £148,000) has been recognised in respect of other short-term timing differences.

11 CALLED UP SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid		
128,248,894 ordinary shares of 0.25p each (2014: 128,133,417 ordinary shares of 0.25p each)	**320**	320

During the year, 115,477 ordinary shares of 0.25p each (2014: 1,676,093 ordinary shares) with an aggregate nominal value of £289 (2014: £4,191) were issued following the exercise of share options granted under the company's share option schemes for a cash consideration of £0.5m (2014: £0.3m).

12 SHARE-BASED PAYMENTS

An explanation of the company's share-based payment arrangements is set out in the Directors' Remuneration Report on pages 60 to 62. The number of shares under option, the fair value per option granted and the assumptions used to determine their values are given in note 23 to the group accounts. Their dilutive effect on the number of weighted average shares of the company is given in note 10 to the group accounts.

Share option schemes

The Save as You Earn (SAYE) Options were valued using the Black-Scholes option-pricing model. Expected volatility was determined by calculating the historical volatility of the group's share price over a three year period. The charge recognised in the year in respect of these options was £0.1m (2014: £0.1m). Details of the SAYE options are set out in note 23 to the group accounts.

Capital Appreciation Plan 2010 (CAP 2010) and Company Share Option Plan 2010 (CSOP 2010)

The CAP 2010 and CSOP 2010 options were valued using a fair value model that adjusted the share price at the date of grant for the net present value of expected future dividend streams up to the date of expected exercise. The expected term of the option used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share-based expense recognised in the year for the CAP 2010 and CSOP 2010 options was a credit of £34,000 (2014: £0.2m). Details of the CAP 2010 and CSOP 2010 options are set out in note 23 to the group accounts (excludes cash-settled options).

Capital Appreciation Plan 2014 (CAP 2014) and Company Share Option Plan 2014 (CSOP 2014)

The CAP 2014 and CSOP 2014 options were valued using a fair value model that adjusted the share price at the date of grant for the net present value of expected future dividend streams up to the date of expected exercise. The expected term of the option used in the models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share-based expense recognised in the year for the CAP 2014 and CSOP 2014 options was £nil (2014: £nil). Details of the CAP 2014 and CSOP 2014 options are set out in note 23 to the group accounts (excludes cash-settled options).

There is no cost or liability for the cash element of the CAP 2010 or CAP 2014 option scheme. These are borne by the company's subsidiary undertakings.

A reconciliation of the options outstanding at September 30 2015 is detailed in note 23 to the group accounts.

Notes to the Company Accounts

continued

13 COMMITMENTS AND CONTINGENT LIABILITY

At September 30 the company has committed to make the following payments in respect of operating leases on land and buildings:

	2015 £000	2014 £000
Operating leases which expire:		
Within one year	**6**	328
Between two and five years	**692**	676
Over five years	**18**	260
	716	1,264

Cross-guarantee

The company, together with the ultimate parent company and certain other companies in the Euromoney Institutional Investor PLC group, have given an unlimited cross-guarantee in favour of its bankers.

14 FINANCIAL INSTRUMENTS

Hedge of net investment in foreign entity

The company has US dollar denominated borrowings which it has designated as a fair value hedge of its subsidiaries which have US dollars as their functional currency. The change in fair value of these hedges resulted in an increased liability of £8.6m (2014: increase in liability of £3.3m).

Fair values of non-derivative financial assets and financial liabilities

Where market values are not available, fair values of financial assets and financial liabilities have been calculated by discounting expected future cash flows at prevailing interest rates and by applying year end exchange rates. The carrying amounts of short-term borrowings approximate the book value.

15 RESERVES

	Called up share capital £000	**Share premium account £000**	**Other reserve £000**	**Capital redemption reserve £000**	**Capital reserve £000**	**Own shares £000**	**Reserve for share-based payments £000**	**Fair value reserve £000**	**Profit and loss account £000**	**Total shareholders' funds £000**
At September 30 2013	316	101,709	64,981	8	1,842	(74)	37,122	1,358	648,114	855,376
Profit for the year	–	–	–	–	–	–	–	–	19,100	19,100
Own shares acquired	–	–	–	–	–	(21,508)	–	–	–	(21,508)
Charge for share-based payments	–	–	–	–	–	–	2,036	–	–	2,036
Cash dividends paid	–	–	–	–	–	–	–	–	(28,771)	(28,771)
Exercise of share options	4	302	–	–	–	–	–	–	–	306
At September 30 2014	**320**	**102,011**	**64,981**	**8**	**1,842**	**(21,582)**	**39,158**	**1,358**	**638,443**	**826,539**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**81,415**	**81,415**
Credit for share-based payments	**–**	**–**	**–**	**–**	**–**	**–**	**(1,989)**	**–**	**–**	**(1,989)**
Cash dividends paid	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(29,064)**	**(29,064)**
Exercise of share options	**–**	**546**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**546**
At September 30 2015	**320**	**102,557**	**64,981**	**8**	**1,842**	**(21,582)**	**37,169**	**1,358**	**690,794**	**877,447**

The investment in own shares is held by the Euromoney Employees' Share Ownership Trust (ESOT) and Euromoney Employee Share Trust (EEST). The EEST was incorporated in February 2014 to facilitate the purchase of shares for the Capital Appreciation Plan 2014. The trusts waived the rights to receive dividends. Interest and administrative costs are charged to the profit and loss account of the trusts as incurred.

15 RESERVES *continued*

	2015 Number	2014 Number
Euromoney Employees' Share Ownership Trust	**58,976**	58,976
Euromoney Employee Share Trust	**1,747,631**	1,747,631
Total	**1,806,607**	1,806,607
Nominal cost per share (p)	**0.25**	0.25
Historical cost per share (£)	**11.95**	11.95
Market value (£000)	**17,163**	18,337

The other reserve represents the share premium arising on the shares issued for the purchase of Metal Bulletin plc in October 2006.

Of the reserves above the share based payments reserves of £37.2m (2014: £39.2m) and £587.6m (2014: £535.3m) of the profit and loss account is distributable to equity shareholders of the company. The remaining balance of £103.2m (2014: £103.2m) is not distributable.

16 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2015 £000	2014 £000
Profit for the financial year inclusive of dividends	**81,415**	19,100
Dividends paid	**(29,064)**	(28,771)
	52,351	(9,671)
Issue of shares	**546**	306
Own shares acquired in the year	**–**	(21,508)
Credit to equity for share-based payments	**(1,989)**	2,036
Net increase/(decrease) in equity shareholders' funds	**50,908**	(28,837)
Opening shareholders' funds	**826,539**	855,376
Closing shareholders' funds	**877,447**	826,539

17 RELATED PARTY TRANSACTIONS

Related party transactions and balances are detailed below:

i. The company had borrowings under a US$160m multi-currency facility with Daily Mail and General Holdings Limited (DMGH), a fellow group company (note 19 to the group accounts):

	2015 US$000	2015 £000	2014 US$000	2014 £000
Amounts owing under US$ facility at September 30	**–**	**–**	62,486	38,543
Amounts owing under GBP facility at September 30	**–**	**–**	–	7,895
Amounts due under current account facility at September 30	**–**	**–**	(1,234)	(761)
	–	**–**	61,252	45,677
Fees on the available facility for the year	**–**	**733**	–	417

The loan was fully paid at September 2015.

Notes to the Company Accounts

continued

17 RELATED PARTY TRANSACTIONS *continued*

ii. On August 3 2015 the company entered into a deposit agreement with DMGH:

	2015 US$000	2015 £000	2014 US$000	2014 £000
Deposits denominated in US$ at September 30	**1,787**	**1,182**	–	–
Deposits denominated in GBP at September 30	**–**	**8,617**	–	–
	1,787	**9,799**	–	–

iii. During the year, in an arm's length transaction, the group sold a property to Mintel Limited for a consideration of £2.3m. N Berry, a director of DMGT, owns 97% of Mintel Limited through a family holding.

iv. During the year the company received a dividend of £0.1m (2014: £0.3m) from Capital NET Limited, an associate of the company.

v. During the year the company entered into the following trading transactions with Euromoney Trading Limited:

	2015 £000	2014 £000
Guarantee fee	**1,300**	1,300
Licence fee	**6,747**	6,931
Management fee	**(708)**	(1,002)
	7,339	7,229
Amounts due under current account	**(42,211)**	(33,214)

18 POST BALANCE SHEET EVENT

A board meeting was held on November 18 2015 and a number of board changes were implemented as proposed by the nominations committee. The nominations committee agreed that:

- the chairman of the board be changed to a non-executive role and that JC Botts be appointed as the non-executive chairman in an interim capacity until such time as the company appoints a permanent independent non-executive chairman;
- A Rashbass's role as executive chairman be changed to the new role of chief executive officer;
- A Rashbass to step down as chairman of the nominations committee and JC Botts to replace A Rashbass as chairman of the nominations committee until an independent non-executive chairman has been appointed;
- CHC Fordham to step down from the nominations committee; and
- the number of executive directors on the board to reduce and accordingly CHC Fordham, NF Osborn, JL Wilkinson, DE Alfano and B AL-Rehany not to seek re-election at the company's next AGM in January 2016.

The directors propose a final dividend of 16.40p per share (2014: 16.00p) totalling £20.7m (2014: £20.2m) for the year ended September 30 2015 subject to approval at the AGM to be held on January 28 2016. In accordance with FRS 21 'Post Balance Sheet Events', these financial statements do not reflect this dividend payable but will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending September 30 2016.

There were no other events after the balance sheet date.

19 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Rothermere Continuation Limited (RCL) is a holding company incorporated in Bermuda. The main asset of RCL is its 100% holding of Daily Mail and General Trust plc (DMGT) Ordinary Shares. RCL has controlled DMGT for many years and as such is DMGT's immediate parent company.

RCL is owned by a trust which is held for the benefit of The Viscount Rothermere and his immediate family. The trust represents the ultimate controlling party of the company.

Both RCL and the trust are administered in Jersey, in the Channel Islands. RCL and its directors, and the trust and its beneficiaries, are related parties of the company.

The immediate parent of the company is DMG Charles Limited, a wholly owned subsidiary of DMGT.

The largest and smallest group of which the company is a member and for which group accounts are drawn up is that of DMGT, incorporated in Great Britain and registered in England and Wales. Copies of its report and accounts are available from:

The company secretary
Daily Mail and General Trust plc
Northcliffe House, 2 Derry Street
London W8 5TT
www.dmgt.co.uk

Five Year Record

CONSOLIDATED INCOME STATEMENT EXTRACTS

	2011 £000	2012 £000	2013 £000	2014 £000	**2015 £000**
Total revenue	363,142	394,144	404,704	406,559	**403,412**
Operating profit before acquired intangible amortisation, long-term incentive (expense)/credit and exceptional items	108,967	118,175	121,088	119,809	**104,234**
Acquired intangible amortisation	(12,221)	(14,782)	(15,890)	(16,735)	**(17,027)**
Long-term incentive (expense)/credit	(9,491)	(6,301)	(2,100)	(2,367)	**2,490**
Additional accelerated long-term incentive expense	(6,603)	–	–	–	**–**
Exceptional items	(3,295)	(1,617)	2,232	2,630	**33,421**
Operating profit	77,357	95,475	105,330	103,337	**123,118**
Share of results in associates and joint ventures	408	459	284	264	**(381)**
Net finance (costs)/income	(9,568)	(3,566)	(10,354)	(2,126)	**548**
Profit before tax	68,197	92,368	95,260	101,475	**123,285**
Tax expense on profit	(22,527)	(22,528)	(22,235)	(25,610)	**(17,599)**
Profit for the year	45,670	69,840	73,025	75,865	**105,686**
Attributable to:					
Equity holders of the parent	45,591	69,672	72,623	75,264	**105,444**
Equity non-controlling interests	79	168	402	601	**242**
	45,670	69,840	73,025	75,865	**105,686**
Basic earnings per share	38.02p	56.74p	57.88p	59.49p	**83.42p**
Diluted earnings per share	37.34p	55.17p	56.70p	59.15p	**83.38p**
Adjusted diluted earnings per share	56.05p	65.91p	70.96p	70.60p	**70.12p**
Diluted weighted average number of ordinary shares	122,112,168	126,290,412	128,077,588	127,236,311	**126,460,787**
Dividend per share	18.75p	21.75p	22.75p	23.00p	**23.40p**
Adjusted profit before tax	92,684	106,769	116,527	116,155	**107,810**
Adjusted profit after tax	68,520	83,410	91,286	90,433	**88,920**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION EXTRACTS

	2011 £000	2012 £000	2013 £000	2014 £000	**2015 £000**
Intangible assets	490,042	469,308	505,613	545,443	**531,379**
Non-current assets	33,824	26,357	23,255	18,707	**47,760**
Accruals	(56,249)	(54,170)	(48,381)	(47,973)	**(55,743)**
Deferred income liability	(105,507)	(105,106)	(106,051)	(109,842)	**(112,129)**
Other net current (liabilities)/assets	(12,304)	32,151	5,371	34,933	**66,902**
Non-current liabilities	(124,231)	(80,616)	(46,048)	(84,745)	**(33,225)**
Net assets	225,575	287,924	333,759	356,523	**444,944**

The five year record is does not form part of the audited financial statements.

The 2014 and 2013 comparatives have been re-presented to reflect a reclassification to net down certain balances within net current (liabilities)/assets and deferred subscription income. This reclassification has no impact on net assets (note 15 to the group accounts). No similar adjustments have been made to the 2012 and 2011 comparatives as the information is not readily available.

Shareholder Information

FINANCIAL CALENDAR

2015 final results announcement	Thursday November 19 2015
Final dividend ex-dividend date	Thursday November 26 2015
Final dividend record date	Friday November 27 2015
Trading update	Thursday January 28 2016*
2016 AGM (approval of final dividend)	Thursday January 28 2016
Payment of final dividend	Thursday February 11 2016
2016 interim results announcement	Thursday May 19 2016*
Interim dividend ex-dividend date	Thursday May 26 2016*
Interim dividend record date	Friday May 27 2016*
Payment of 2016 interim dividend	Thursday June 23 2016*
2016 final results announcement	Thursday November 24 2016*
Loan note interest paid to holders on	Thursday December 31 2015
	Thursday June 30 2016

* Provisional dates and are subject to change

COMPANY SECRETARY AND REGISTERED OFFICE

Bridget Hennigan
8 Bouverie Street
London
EC4Y 8AX
England registered number: 954730

SHAREHOLDER ENQUIRIES

Administrative enquiries about a holding of Euromoney Institutional Investor PLC shares should be directed in the first instance to the company's registrar, Equiniti.

Telephone: 0371 384 2951 Lines are open 8:30am to 5:30pm (UK time), Monday to Friday, excluding English public holidays.
Overseas Telephone: (00) 44 121 415 0246

A number of facilities are available to shareholders through the secure online site www.shareview.co.uk.

LOAN NOTE REDEMPTION INFORMATION

Loan notes can be redeemed twice a year on the interest payment dates above by depositing the Notice of Repayment printed on the Loan Note Certificate at the company's registered office. At least 20 business days' written notice prior to the redemption date is required.

ADVISORS

Auditor
PricewaterhouseCoopers LLP
1 Embankment Place
London, WC2N 6RH

Brokers
UBS
1 Finsbury Avenue,
London, EC2M 2PP

Solicitors
Nabarro
125 London Wall,
London, EC2Y 5AL

Registrars
Equiniti
Aspect House,
Spencer Road, Lancing,
West Sussex, BN99 6DA

www.euromoneyplc.com

Euromoney Institutional Investor PLC
8 Bouverie Street
London EC4Y 8AX