

**Company Registration No. 2225820 (England and Wales)**

**ECONOMATTERS LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2005**



# **ECONOMATTERS LIMITED**

## **DIRECTORS AND ADVISERS**

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### **Directors**

J R Ball  
C M J Spottiswoode  
S V Gokarn (Appointed 21 January 2005)  
R Ravimohan  
P J Breen (Appointed 25 April 2005)  
H Y Joshi

### **Secretary**

L Williams

### **Company number**

2225820

### **Registered office**

35 New Bridge Street  
London  
EC4V 6BW

### **Registered auditors**

Saffery Champness  
Lion House  
Red Lion Street  
London  
WC1R 4GB

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# **ECONOMATTERS LIMITED**

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## **ECONOMATTERS LIMITED**

### **DIRECTORS REPORT FOR THE YEAR ENDED 31 MARCH 2005**

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The directors present their report and financial statements for the year ended 31 March 2005.

#### **Directors**

The following directors have held office since 1 April 2004:

J R Ball	
C M J Spottiswoode	
D J de Ledsma	(Resigned 31 March 2005)
S V Gokarn	(Appointed 21 January 2005)
R Ravimohan	
P J Breen	(Appointed 25 April 2005)
R Kudva	(Resigned 21 January 2005)
H Y Joshi	

#### **Principal activities and review of the business**

The principal activities of the group continued to be that of publishing journals, consulting and organising conferences and management training.

#### **Highlights**

The business environment remained positive throughout the year. The business saw a successful transition into an investor-owned framework within CRISIL. During the crucial transition period the stability of the business and the organisation was maintained. A number of collaborative activities were undertaken with businesses within CRISIL and significant revenue growth was achieved. However, the business incurred a financial loss in the year primarily due to a significant unbudgeted increase in the costs of external associate consultants as the business experienced significant growth, inflexibility of group level overheads to respond to lower than budgeted level revenues/margins, and the exceptional costs relating to the office move. Notwithstanding the financial performance, the business has emerged significantly strengthened in terms of people development, structural completeness, creation of a sales channel for products, new & robust technology platform and focused plans and priorities for the ensuing year.

The business environment is expected to remain buoyant in the financial year to March 2006. The key challenges will be to rebalance the existing business model to enhance value creation and to create career progression for the internal staff.

#### **Business Environment**

The business environment remained positive throughout the year. On the back of high crude oil and gas prices, oil and gas majors have reported record financial performance and have announced large scale investment plans. This has led to a significant level of project investments presenting a number of consulting opportunities. The year saw a significantly high level of market due diligence activity for a number of upstream LNG projects. Large scale investment and project activity has also led to companies experiencing shortage of skilled resources in commercial and project management disciplines and training spends have been larger presenting a greater potential for the training business. The business environment is expected to remain positive in the financial year to March 2006.

## **ECONOMATTERS LIMITED**

### **DIRECTORS REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2005**

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#### **Operations**

The year saw significantly higher level of business activity as compared to the previous year. The consulting business extended its client base, grew the number of assignments and diversified the geographic spread of its consulting activities. The consulting business continued to retain its dominance in market due-diligence for LNG projects. A number of prestigious market due diligence assignments were commissioned including Tannguh, Qalhat, Oman LNG, Brindisi LNG, Atlantic LNG T4, ELNG II and Qatargas II. A number of consulting assignments were successfully completed jointly with Infrastructure Advisory team of CRISIL.

Two new training courses were added to the public courses portfolio - European Gas Markets Review (EGM) & The Shipper's Toolkit (STK). The second half of the year in particular saw increased demand for training across the industry on the back of high energy prices and skills shortages. The training business also collaborated successfully with CRISIL team and launched its first public training course in India. The customized training business grew significantly, through tailored in-house courses for larger groups.

To compliment the news and analysis in the existing publications Gas Matters (monthly) and Gas Matters Today (daily), two new publications were launched during the year viz. LNG Focus, a quarterly publication which caters to fast growing and increasingly integrating global LNG business, and Gas Matters Today - Asia, which caters to rapidly growing Asian gas markets. The year also saw strengthening of the sales team in order to more proactively sell publication products.

The key highlight of the events business was the gas flaring conference organized for the World Bank in Algeria. A strong marketing & sales plan further led to a record attendance at the Central European Gas Conference (CEGC) in Bratislava. As this is a business with long lead times, the second half of the year was largely spent in preparing for activities in the first half of 2005-06.

During the year, the business also launched its new look marketing material in the form of brochures and marketing collaterals.

The business moved to new office premises in London, providing accommodation to meet the increased needs of the growing business. The new office plan has enabled greater interaction among the businesses while facilitating in-house organisation of training programs and roundtables.

#### **Outreach**

The business made its impact at the prestigious European Autumn Gas Conference 2004 and GasTech 2005 conference by providing insightful content advisory /panel chairing services. Two roundtable forum events were also organised during the year, one each in London and New York on the subject of trading issues in the LNG business.

## ECONOMATTERS LIMITED

### DIRECTORS REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2005

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#### Process Improvements

During the year under review, the business moved to a new technology platform and upgraded its IT infrastructure. The new platform and the infrastructure have significantly improved the uptimes and service levels. A new database tool was developed in the publication business to efficiently manage the subscription administration process. The process improvement is an ongoing agenda and will be a key focus area for FY06.

#### Results and dividends

The consolidated profit and loss account for the year is set out on page 7.

The directors do not recommend payment of an ordinary dividend.

#### Directors' interests

The directors' interests in the shares of the company and other group companies were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2005	1 April 2004
J R Ball	-	-
C M J Spottiswoode	-	-
D J de Ledsma	-	-
S V Gokarn	-	-
R Ravimohan	-	-
H Y Joshi	-	-

	"A" Ordinary shares of 10p each	
	31 March 2005	1 April 2004
J R Ball	-	-
C M J Spottiswoode	-	-
D J de Ledsma	-	-
S V Gokarn	-	-
R Ravimohan	-	-
H Y Joshi	-	-

	Ordinary shares of 10p each	
	31 March 2005	1 April 2004
J R Ball	-	-
C M J Spottiswoode	-	-
D J de Ledsma	-	-
S V Gokarn	-	-
R Ravimohan	-	-
H Y Joshi	-	-

## ECONOMATTERS LIMITED

### DIRECTORS REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2005

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R Ravimohan and H Y Joshi have an interest in the shares of the company by virtue of their holding in shares and outstanding share options in Crisil Limited, the company's ultimate parent company. S V Gokarn, J R Ball and D J de Ledesma have an interest in the shares of the company by virtue of their holding of outstanding share options in Crisil Limited.

#### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Saffery Champness be reappointed as auditors of the company will be put to the Annual General Meeting.

#### Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board

.....

.....23 May 2005

## **ECONOMATTERS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECONOMATTERS LIMITED**

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We have audited the financial statements of EconoMatters Limited on pages 7 to 22 for the year ended 31 March 2005. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

#### **Respective responsibilities of the directors and auditors**

As described in the statement of directors' responsibilities on page 4, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



**ECONOMATTERS LIMITED**

**INDEPENDENT AUDITORS' REPORT (continued)**  
**TO THE MEMBERS OF ECONOMATTERS LIMITED**

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**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's and the group's affairs as at 31 March 2005 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**Saffery Champness**

Chartered Accountants  
Registered Auditors

23/05/05  
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Lion House  
Red Lion Street  
London  
WC1R 4GB

**ECONOMATTERS LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2005**

	Notes	2005 £	2004 £
<b>Turnover</b>	<b>2</b>	3,264,415	2,583,184
Administrative expenses		(3,568,475)	(2,678,031)
<b>Operating loss</b>	<b>3</b>	(304,060)	(94,847)
Cost of fundamental reorganisation		-	(33,594)
<b>Loss on ordinary activities before interest</b>		(304,060)	(128,441)
<b>Loss on ordinary activities before taxation</b>		(304,060)	(128,441)
Tax on loss on ordinary activities	<b>4</b>	(15,137)	4,292
<b>Loss on ordinary activities after taxation</b>		(319,197)	(124,149)
Dividends	<b>6</b>	-	(164,100)
<b>Retained loss for the year</b>	<b>14</b>	(319,197)	(288,249)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 9 to 22 form part of these financial statements.

# ECONOMATTERS LIMITED

## BALANCE SHEETS AS AT 31 MARCH 2005

		Group		Company	
	Notes	2005	2004	2005	2004
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	7	42,876	44,244	1,685	863
Tangible assets	8	179,930	28,583	168,898	16,517
Investments	9	-	-	314,522	314,522
		<u>222,806</u>	<u>72,827</u>	<u>485,105</u>	<u>331,902</u>
<b>Current assets</b>					
Debtors	10	1,153,761	750,505	975,880	274,646
Cash at bank and in hand		<u>194,124</u>	<u>173,327</u>	<u>82,856</u>	<u>18,314</u>
		1,347,885	923,832	1,058,736	292,960
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,670,769)</u>	<u>(975,451)</u>	<u>(1,626,984)</u>	<u>(521,497)</u>
<b>Net current liabilities</b>		<u>(322,884)</u>	<u>(51,619)</u>	<u>(568,248)</u>	<u>(228,537)</u>
<b>Total assets less current liabilities</b>		<u>(100,078)</u>	<u>21,208</u>	<u>(83,143)</u>	<u>103,365</u>
<b>Capital and reserves</b>					
Called up share capital	13	200,000	2,089	200,000	2,089
Share premium account	14	43,012	43,012	43,012	43,012
Revaluation reserve	14	25,330	25,330	-	-
Profit and loss account	14	<u>(368,420)</u>	<u>(49,223)</u>	<u>(326,155)</u>	<u>58,264</u>
<b>Shareholders' funds - equity interests</b>	15	<u>(100,078)</u>	<u>21,208</u>	<u>(83,143)</u>	<u>103,365</u>

The notes on pages 9 to 22 form part of these financial statements.

The financial statements were approved by the board on ..... *23 May 2006* .....

*P. Cook*  
.....

Director

# **ECONOMATTERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The directors consider it appropriate to prepare the financial statements on a going concern basis due to the continuing support from the ultimate parent company.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### **1.2 Compliance with accounting standards**

*The financial statements are prepared in accordance with applicable accounting standards.*

#### **1.3 Basis of consolidation**

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2005. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### **1.4 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.5 Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### **1.6 Trade Marks**

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

#### **1.7 Tangible fixed assets and depreciation**

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

Leasehold improvements	over the term of the lease
Fixtures, fittings & equipment	25% using the straight line basis

#### **1.8 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.9 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

## ECONOMATTERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2005

#### 1 Accounting policies

(continued)

##### 1.10 Pensions

The company contributes towards a group personal pension scheme for its employees. The cost of the contributions made by the company to the scheme are charged to the profit and loss account as incurred.

##### 1.11 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

##### 1.12 Foreign currency translation

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

#### 2 Turnover

In the opinion of the directors it would be seriously prejudicial to disclose the turnover by geographical area.

#### 3 Operating loss

	2005	2004
	£	£
Operating loss is stated after charging:		
Depreciation of intangible assets	2,798	1,974
Depreciation of tangible assets	34,084	32,097
Operating lease rentals	108,380	101,192
Auditors' remuneration (company £14,351; 2004: £15,000)	14,351	15,000

During the year the group moved premises, the directors consider costs of £67,849 to be exceptional in respect of this move.

At 1 April 2003 the company hived down its 4 divisions into subsidiary companies and on 23 December 2003 shares were issued under the company's share option agreement. The external costs of these transactions are included within the profit and loss account as an exceptional item for the year ended 31 March 2004.

**ECONOMATTERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2005****4 Taxation**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Current tax charge</b>	-	-
<b>Deferred tax</b>		
Deferred tax charge/(credit) in current year	15,137	(4,292)
<b>Factors affecting the tax charge for the year</b>		
Loss on ordinary activities before taxation	(304,060)	(128,441)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	(57,771)	(24,404)
Effects of:		
Non deductible expenses	151	63
Depreciation add back	6,476	6,168
Capital allowances	(7,134)	(4,802)
Tax losses utilised	53,529	19,910
Other tax adjustments	4,749	3,065
	57,771	24,404
<b>Current tax charge</b>	-	-

**5 (Loss)/profit for the financial year**

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The (loss)/profit for the financial year is made up as follows:

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Holding company's (loss)/profit for the financial year	(384,419)	78,008

**6 Dividends**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Ordinary interim paid	-	120,000
Ordinary interim paid	-	44,100
	-	164,100

# **ECONOMATTERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2005**

### **7 Intangible fixed assets Group**

	<b>Trade Marks £</b>	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2004	1,480	49,365	50,845
Additions	1,430	-	1,430
	<hr/>	<hr/>	<hr/>
At 31 March 2005	2,910	49,365	52,275
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 April 2004	617	5,984	6,601
Charge for the year	608	2,190	2,798
	<hr/>	<hr/>	<hr/>
At 31 March 2005	1,225	8,174	9,399
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2005	1,685	41,191	42,876
	<hr/>	<hr/>	<hr/>
At 31 March 2004	863	43,381	44,244
	<hr/>	<hr/>	<hr/>

### **Intangible fixed assets (continued) Company**

	<b>Trade Marks £</b>
<b>Cost</b>	
At 1 April 2004	1,480
Additions	1,430
	<hr/>
At 31 March 2005	2,910
	<hr/>
<b>Amortisation</b>	
At 1 April 2004	617
Charge for the year	608
	<hr/>
At 31 March 2005	1,225
	<hr/>
<b>Net book value</b>	
At 31 March 2005	1,685
	<hr/>
At 31 March 2004	863
	<hr/>

**ECONOMATTERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2005****8 Tangible fixed assets  
Group**

	<b>Leasehold improve- ments £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total  £</b>
<b>Cost or valuation</b>			
At 1 April 2004	-	382,284	382,284
Additions	98,968	86,463	185,431
	<u>98,968</u>	<u>468,747</u>	<u>567,715</u>
At 31 March 2005			
<b>Depreciation</b>			
At 1 April 2004	-	353,701	353,701
Charge for the year	5,057	29,027	34,084
	<u>5,057</u>	<u>382,728</u>	<u>387,785</u>
At 31 March 2005			
<b>Net book value</b>			
At 31 March 2005	<u>93,911</u>	<u>86,019</u>	<u>179,930</u>
At 31 March 2004	<u>-</u>	<u>28,583</u>	<u>28,583</u>



**ECONOMATTERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2005****8 Tangible fixed assets (continued)**  
**Company**

	<b>Leasehold improve- ments £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total  £</b>
<b>Cost</b>			
At 1 April 2004	-	343,750	343,750
Additions	98,968	81,277	180,245
	<hr/>	<hr/>	<hr/>
At 31 March 2005	98,968	425,027	523,995
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 April 2004	-	327,233	327,233
Charge for the year	5,057	22,807	27,864
	<hr/>	<hr/>	<hr/>
At 31 March 2005	5,057	350,040	355,097
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2005	93,911	74,987	168,898
	<hr/>	<hr/>	<hr/>
At 31 March 2004	-	16,517	16,517
	<hr/>	<hr/>	<hr/>

## ECONOMATTERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2005

#### 9 Fixed asset investments Company

Shares in  
group  
undertakings

£

#### Cost

At 1 April 2004 & at 31 March 2005

314,522

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Alphatania Limited	United Kingdom	Ordinary	100
Gas Matters Limited	United Kingdom	Ordinary	100
Gas Strategies Consulting Limited	United Kingdom	Ordinary	100
Overview Outreach Limited	United Kingdom	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Alphatania Limited	Training courses
Gas Matters Limited	Publishing
Gas Strategies Consulting Limited	Consultancy for the gas industry
Overview Outreach Limited	Organising conferences for the gas industry.

# **ECONOMATTERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2005**

### **10 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	874,194	587,030	-	7,012
Amounts owed by group undertakings	62,142	1,406	808,556	184,001
Other debtors	144,599	55,542	106,743	31,516
Prepayments and accrued income	72,826	91,390	60,581	46,216
Deferred tax asset	-	15,137	-	5,901
	<u>1,153,761</u>	<u>750,505</u>	<u>975,880</u>	<u>274,646</u>

### **Deferred tax**

	<b>Group</b>	<b>Company</b>
	<b>2005</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2004	15,137	5,901
Profit and loss account	<u>(15,137)</u>	<u>(5,901)</u>
Balance at 31 March 2005	<u>-</u>	<u>-</u>

Deferred taxation provided in the financial statements is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	-	5,901	-	5,901
Tax losses available	-	9,236	-	-
	<u>-</u>	<u>15,137</u>	<u>-</u>	<u>5,901</u>

**ECONOMATTERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2005****11 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	293,900	-	293,900	-
Trade creditors	242,946	199,188	78,714	73,192
Amounts owed to group undertakings	167,083	-	1,064,863	309,504
Corporation tax	58	42	58	42
Taxes and social security costs	65,178	170,003	26,693	120,783
Other creditors	35,242	1,472	25,001	1,056
Accruals and deferred income	866,362	604,746	137,755	16,920
	<u>1,670,769</u>	<u>975,451</u>	<u>1,626,984</u>	<u>521,497</u>

**12 Pension costs****Defined contribution**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Contributions payable by the group for the year	<u>38,973</u>	<u>69,902</u>

# ECONOMATTERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2005

13 Share capital	2005 £	2004 £
<b>Authorised</b>		
200,000 Ordinary shares of £1 each	200,000	-
10,000 "A" Ordinary shares of 10p each	-	1,000
12,220 Ordinary shares of 10p each	-	1,222
	<u>200,000</u>	<u>2,222</u>
 <b>Allotted, called up and fully paid</b>		
200,000 Ordinary shares of £1 each	200,000	-
10,000 "A" Ordinary shares of 10p each	-	1,000
10,890 Ordinary shares of 10p each	-	1,089
	<u>200,000</u>	<u>2,089</u>

On 16 December 2004 the company increased its authorised ordinary share capital to 1,990,000 shares of 10p each and issued 1,979,111 ordinary shares at par. It then consolidated its authorised share capital of 10,000 "A" ordinary shares of 10p each and 1,990,000 ordinary shares of 10p each to 200,000 ordinary shares of £1 each.

**ECONOMATTERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2005****14 Statement of movements on reserves  
Group**

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2004	43,012	25,330	(49,223)
Retained loss for the year	-	-	(319,197)
Balance at 31 March 2005	<u>43,012</u>	<u>25,330</u>	<u>(368,420)</u>

**Company**

	Share premium account £	Profit and loss account £
Balance at 1 April 2004	43,012	58,264
Retained loss for the year	-	(384,419)
Balance at 31 March 2005	<u>43,012</u>	<u>(326,155)</u>

**ECONOMATTERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2005**

<b>15 Reconciliation of movements in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
<b>Group</b>	<b>£</b>	<b>£</b>
Loss for the financial year	(319,197)	(124,149)
Dividends	-	(164,100)
	<u>(319,197)</u>	<u>(288,249)</u>
Other recognised gains and losses	-	120,000
Proceeds from issue of shares	197,911	44,101
	<u>(121,286)</u>	<u>(124,148)</u>
Net depletion in shareholders' funds	(121,286)	(124,148)
Opening shareholders' funds	21,208	145,356
	<u>(100,078)</u>	<u>21,208</u>
Closing shareholders' funds	<u>(100,078)</u>	<u>21,208</u>
	<b>2005</b>	<b>2004</b>
<b>Company</b>	<b>£</b>	<b>£</b>
(Loss)/profit for the financial year	(384,419)	78,008
Dividends	-	(164,100)
	<u>(384,419)</u>	<u>(86,092)</u>
Proceeds from issue of shares	197,911	44,101
	<u>(186,508)</u>	<u>(41,991)</u>
Net depletion in shareholders' funds	(186,508)	(41,991)
Opening shareholders' funds	103,365	145,356
	<u>(83,143)</u>	<u>103,365</u>
Closing shareholders' funds	<u>(83,143)</u>	<u>103,365</u>

# ECONOMATTERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2005

### 16 Financial commitments

At 31 March 2005 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2005	2004
	£	£
Expiry date:		
Within one year	-	72,500
In over five years	61,200	-
	<u>61,200</u>	<u>72,500</u>

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2005	2004
	£	£
Expiry date:		
Within one year	-	72,500
In over five years	61,200	-
	<u>61,200</u>	<u>72,500</u>

### 17 Directors' emoluments

	2005	2004
	£	£
Emoluments for qualifying services	274,471	272,220
Company pension contributions to money purchase schemes	10,797	40,000
	<u>285,268</u>	<u>312,220</u>

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	117,780	155,000
Company pension contributions to money purchase schemes	<u>3,375</u>	<u>4,250</u>



## ECONOMATTERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2005

#### 18 Employees

##### Number of employees

The average monthly number of employees (including directors) during the year was:

	2005 Number	2004 Number
Administration	26	22

##### Employment costs

	2005 £	2004 £
Wages and salaries	973,417	755,386
Social security costs	119,424	80,725
Other pension costs	38,973	69,902
	1,131,814	906,013

#### 19 Control

The company is controlled by CRISIL Limited, a company registered on the Indian stock exchange.

#### 20 Related party transactions

##### Group

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

##### Company

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