

GlobalData Plc

Annual Report and Accounts for the year ended 31 December 2016

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Reliance on this document

Our Business Review on pages 3 to 14 has been prepared in accordance with the Strategic Report requirements of section 414C of the Companies Act 2006. The intention of this document is to provide information to shareholders and is not designed to be relied upon by any other party or for any other purpose.

Forward-looking statements

This document contains forward-looking statements which are made by the directors in good faith based on information available to them at the time of approval of this report. In particular, all statements that express forecasts, expectations and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing, anticipated costs savings and synergies and the execution of GlobalData Plc's strategy, are forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including a number of factors outside of GlobalData Plc's control. Any forward-looking statements speak only as of the date they are made, and GlobalData Plc gives no undertaking to update forward-looking statements to reflect any changes in its expectations with regard thereto or any changes to events, conditions or circumstances on which any such statement is based.

STRATEGIC REPORT

2016 HIGHLIGHTS

Key highlights and achievements

- Group revenues of £100 million
- A global business information company following the successful integration of recent acquisitions
- Focus on building global platform, strong business model and management team
- Business rebranded to GlobalData across all markets and geographies

Financial Highlights - continuing operations

- Group revenue increased by 65% to £100.0m (2015: £60.5m)
- Deferred revenue increased by 57% to £46.1m (2015: £29.3m)
- Adjusted EBITDA ⁽¹⁾ increased by 71% to £20.6m (2015: £12.0m)
- Adjusted EBITDA margin⁽¹⁾ has risen from 19.8% to 20.6% despite investment
- Cash from operations increased to £15.0m (2015: £10.9m)
- Final Dividend of 4.0 pence per share (2015: 2.5 pence); total dividend of 6.5 pence per share (2015: 2.5 pence)
- Statutory loss before tax of £2.5m (2015: loss of £2.8m), which includes non-cash charges of £13.4m amortisation of acquired intangibles, £2.8m share based payments and £1.6m of unrealised foreign exchange losses.

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, non-trading exchange rate movements, impairment, share based payments, adjusted for costs associated with derivatives, acquisitions and restructuring of the Group. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue.

STRATEGIC REPORT

OUR BUSINESS

Principal Activity

The principal activity of GlobalData Plc and its subsidiaries ('the Group') is to enable organisations in the Consumer, Information Communications Technology (ICT) and Healthcare markets to gain competitive advantage by providing unique, high quality business information and services across multiple platforms.

Our Business Model

The Group produces and owns premium business information for each of our markets. We provide data, insight and analysis across multiple platforms that enable our customers to gain a competitive advantage in their markets. We have a clear philosophy of owning our own data and intellectual property together with powerful analysis supporting our clients' businesses.

Our business model is designed to generate revenues off a relatively fixed operating cost base, allowing for operational gearing to drive increased cash generation and profit growth. The key features are:

- Strong asset base with scalable business model - premium intelligence and customer datasets
- Global coverage of Consumer, ICT and Healthcare information markets
- Focus on subscription revenues - high quality recurring income, with high barriers to entry and pricing power
- Investment in human capital.

STRATEGIC REPORT

EXECUTIVE CHAIRMAN'S STATEMENT

The business has performed well over the past year achieving record levels of both reported and deferred revenues. We have combined three businesses to create a leading global business information company. Our results for the year's trading are encouraging; more so given that for much of the year we focused on integrating the businesses and creating a strong global platform. We are now leveraging this platform to drive significant growth and profitability.

Key Achievements

We have combined three businesses to create a leading global business information company.

- **Revenues of £100 million:** A landmark for the Group, with both reported revenues and deferred revenues at record levels.
- **Integration of major acquisitions:** The Consumer acquisition completed in September 2015 has now been integrated into our existing offering on a single platform with a single brand identity. The Healthcare acquisition, completed in January 2016, brought management and operational scale in the important North American market, which is now being exploited for the benefit of the wider Group.
- **Focused on building a global platform:** Our business model is a relatively simple one: create the content once and leverage revenues from that content across multiple formats (subscriptions, reports and research engagements) and geographies. We have made significant efforts in investing in our global platform and infrastructure, improving and strengthening our management team and in ensuring that the Group presents a single, simplified proposition in the markets and geographies we serve.
- **Rebranding to GlobalData:** We are a Group formed by the combining of three businesses. We are in substance a new business and as such we have rebranded the Group across all our markets and geographies to present a single, simplified proposition which better reflects our business and our values.

Our employees

The transition of the Group to one now focused on the provision of business information services to customers based around the globe has been demanding, more so given the additional challenges brought about by our recent acquisitions. That we have delivered a good set of results during a period of such change is entirely down to the quality, commitment and talent of our employees.

Board Changes

Kelsey van Musschenbroek has informed the Board of the Company that he does not intend to stand for re-election as a Non-Executive Director at the forthcoming AGM. On behalf of the Board, I would like to express our sincere gratitude to Kelsey for his help and support over the past years and to wish him a long and happy retirement.

Mark Freebairn has informed the Board of the Company that he does not wish to stand for re-election as a Non-Executive Director at the forthcoming AGM. On behalf of the Board, I would like to thank Mark for his significant contribution over the past years and to wish him the very best for the future.

The Board is also announcing today, the appointment of two new Non-Executive Directors to the Board, Annette Barnes and Andrew Day. Annette is currently a Managing Director and CEO of Lloyds Private Banking Ltd and Andrew is Chief Data Officer for J Sainsbury Plc.

Dividend

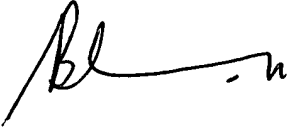
Having regard to the improved prospects for the Group and the cash requirements of the business for the year ahead, the Board is pleased to announce a final dividend of 4.0 pence per share (2015: 2.5 pence). The proposed final dividend will be paid on 12 May 2017 to shareholders on the register at the close of business on 18 April 2017. The ex-dividend date will be on 13 April 2017. The proposed final dividend increases the total dividend for the year to 6.5 pence per share (2015: 2.5 pence).

STRATEGIC REPORT

EXECUTIVE CHAIRMAN'S STATEMENT

Current trading and outlook

We have started the year well and remain confident that we will make further progress.

A handwritten signature in black ink, appearing to read 'Bernard Cragg', with a stylized flourish at the end.

Bernard Cragg
Executive Chairman
24 February 2017

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

In many respects we are a new business with 2016 being our first year as a business information company operating under a single brand, across multiple geographies and industry markets. Our recent acquisitions have transformed the business and the Group now derives the majority of its revenues from annual subscription contracts and other information services.

The transformation of our business to a global business information company operating in dynamic and competitive markets could not have been possible without the hard work and commitment of our employees. I would like to express my own and my fellow Board members' appreciation to all our colleagues across the globe and to wish them continued success.

Along with the integration of our recent acquisitions we have spent much of the past year putting in place the building blocks for growth and have changed our executive and senior management structures to better reflect the new business model.

Our first full twelve months of trading as GlobalData have been encouraging with the Group delivering good revenue and earnings growth. Moreover, we start 2017 with record levels of deferred revenues, which provide improved revenue and earnings visibility.

For the year ahead our focus will be on doing things simply and doing them well. We are building a business which is clearly differentiated from the competition, which is hard to replicate and whose products and services are embedded in the day-to-day processes and operations of both new and existing clients.

Operational Review

The Group's performance this year – continuing operations

The results for the year include a full twelve-month contribution from our recent Consumer and GlobalData acquisitions, whereas the prior year comparatives include no contribution from the Healthcare acquisition (completed January 2016) and only a part year contribution from the Consumer acquisition (completed September 2015).

- 1. Revenue**
Revenues increased by 65% to £100.0m (2015: £60.5m), which reflects both good organic growth (24%) and the full year benefit of the Consumer and Healthcare acquisitions. The acquired businesses are, I am pleased to report, performing well and in line with management expectations.
- 2. Deferred Revenue**
Deferred revenue as at 31 December 2016 increased by 57% to £46.1m (31 December 2015: £29.3m) improving the visibility on 2017 forecast revenues.
- 3. Adjusted EBITDA**
Adjusted EBITDA increased by 71% to £20.6m (2015: £12.0m) with the Group's margin improving to 20.6% (2015: 19.8%). The EBITDA margin growth is slightly below our initial expectations for the year, reflecting our more measured approach to driving synergies and reducing duplication brought about by our recent acquisitions.
- 4. Cash Generation**
Cash generation improved significantly during the year, with cash generated from continuing operations increasing by £4.1m to £15.0m (2015: £10.9m). Excluding cash costs associated with impaired contracts acquired as part of the Consumer acquisition of £1.7m and other exceptional cash costs of £1.9m, cash from operations would have increased to £18.6m, which equates to 90.3% of Adjusted EBITDA.
- 5. Foreign exchange impact on revenues**
The Group derives around 61% of revenues in currencies other than Sterling, which since 23 June 2016 has depreciated against all the Group's major trading currencies and in particular the US Dollar and Euro. The impact of exchange rate movements on our revenues for 2016 was somewhat muted as the Group derives a significant proportion of its revenues from annual subscription contracts whereby revenues are crystallised and amortised at the exchange rate at date of invoice. Consequently a significant proportion of our reported revenues were booked at rates prevailing prior to the 23 June 2016. The benefit of exchange rate movements to reported revenues for 2016 was £2.2m, which accounts for 3.7% of our year on year growth.

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

6. Foreign exchange impact on costs and Adjusted EBITDA

In Sterling terms, circa 57% of our costs are denominated in currencies other than Sterling. Costs are translated as they are incurred at the prevailing exchange rate. Thus, adverse movements in exchange rates have an immediate impact on our earnings. The effect of exchange rate movements on our cost base was to increase our operating costs for 2016 by 5.1% or £2.5m.

The net effect (revenue benefit less cost impact) on Adjusted EBITDA was a decrease of £0.3m.

7. Net Debt:

Net Debt remained flat at £25.5m (2015: £25.5m). Net debt was anticipated to fall, but due to an exchange rate movement of £1.6m on our US dollar denominated loan and cash outflow relating to acquisitions of £2.9m it has remained in line with 2015. The Group also spent £1.0m during the year purchasing treasury shares.

Development of the Business

Acquisitions

Acquisitions form an important part of our overall strategy for growth. We are focused on acquisitions, which extend our client reach and product coverage within the markets we serve. In addition to the GlobalData Healthcare acquisition, the Group completed one bolt-on acquisition during the year for a net consideration of £2.0 million.

Our Mission

We are helping our clients to decode the future, to be more successful and innovative. We provide our clients with innovative solutions to complex issues, delivered via a single online platform, which leverages our unique data and expert analysis across multiple markets and geographies. We help our clients with strategic planning, competitive intelligence, new product development, identifying new consumer trends, marketing opportunities and new sales channel prospects.

At a time of increased uncertainty and ever-constant change we aim to provide our clients with a realisable competitive advantage by helping them to decode the future.

Our Strategic Priorities

Our principal objective is to become one of the world's leading providers of premium, subscription based business information products and services to the markets we serve. We have four core strategic priorities:

- To develop world class products and services
- To develop our sales capabilities
- To improve operational effectiveness
- To provide best in class customer service

Developing world class products and services

Our content is data driven and analyst led and provides our clients with strategic and tactical insights for the markets that they operate in. Our content is robust, relevant and unique; the majority of which can be accessed via our online delivery platforms, which give our clients real time access to critical business information and work flow tools.

The key metric on how successful we are in developing world-class products and services is renewal rates. Our aim over the medium term is to achieve renewal rates by volume for our larger value clients in excess of 90%.

Develop our sales capabilities

The business information market is dominated by North America, which accounts for 50% of global spend, followed by Europe and Asia Pacific. Our goal is to create more geographical balance in our business reflecting market size. Consequently, the Group will look to increase its management and sales operations in the important North American and Asia Pacific markets.

Our medium term target is to increase our mix of revenues to 40% in the US, 40% in the UK & Europe and 20% in Asia Pacific.

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

Our Strategic Priorities (continued)

Improve operational effectiveness

Our business model is a relatively simple one: create the content once and leverage sales from that content across multiple formats (subscriptions, reports and research engagements) and geographies. In doing so costs remain relatively fixed thereby allowing for a higher percentage of the sales value achieved to translate to profit. Acquisitions tend to suppress this structural benefit as they often bring a duplication of both processes and infrastructure which have to be rationalised. Over the past year we took a rather measured approach to reducing this duplication, choosing to focus on increasing our sales headcount, integrating and improving the enlarged product set and reducing employee churn. Given that much of this has now been completed, our focus in the coming year will be to further standardise our processes and reduce duplication and ultimately improve our operating margins.

Our medium term Adjusted EBITDA margin target is circa 25%

Providing best in class customer service

Outstanding customer service is a critical component in delivering customer satisfaction and improved customer retention. Our aim is to deliver best in class customer service at every point of interaction with our clients.

Future Developments

We are an ambitious business which challenges itself on a daily basis to be better at what we do. Our ambition is to provide our customers with world-class products and customer service. For our employees, we aim to be an employer of choice providing an enriching and rewarding environment to work in and for our shareholders we aim to provide returns which reflect not only our reported earnings but also our long-term prospects.

To deliver increased shareholder returns over the medium to long term the Group aims to:

- **Achieve strong organic growth:** Leveraging our unique content and delivery platforms across multiple formats and geographies whilst better exploiting our common platforms, processes and operations.
- **Make acquisitions that are strategic and earnings accretive:** We look for acquisitions that are strategic in nature and which over a reasonable time frame increase total returns. We also, from time to time, make small bolt-on acquisitions that either broaden our offering or extend our client reach in an existing market. Our acquisition process is robust and diligent and is supervised by the Board.
- **Maintain a progressive dividend policy:** Our business is one that is focused on the efficient management of working capital and increased cash generation. We believe we can invest in the business, achieve growth in profits and service a progressive dividend policy, one that reflects our growth and long-term prospects.

We are a transformed business focused on the provision of business information to global markets, all of which present opportunities for long-term profitable growth.

We expect that 2017 will be a year of further progress and opportunity for the Group.

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

Financial Performance

Our 2016 results are for the first full year of trading as GlobalData. Our results are encouraging and provide a solid base from which to make further progress.

Financial highlights

- Group revenue increased by 65.4% to £100.0m (2015: £60.5m)
- Strong performance of the newly acquired Healthcare business, which generated revenues of £25.1m
- Deferred Revenue increased by 57.3% to £46.1m (2015: £29.3m)
- Adjusted EBITDA⁽¹⁾ increased by 71.5% to £20.6m (2015: £12.0m)
- Adjusted EBITDA margin⁽¹⁾ increased to 20.6% (2015: 19.8%)
- Reported EBITDA⁽²⁾ increased to £13.7m (2015: £3.2m)
- Statutory loss before tax of £2.5m (2015: loss of £2.8m), which is inclusive of non-cash charges of £14.6m of amortisation of intangibles, £2.8m share based payments and £1.6m of unrealised foreign exchange losses.
- Cash generated from continuing operations increased by 37.4% to £15.0m (2015: £10.9m)
- Net debt⁽³⁾ of £25.5m (2015: £25.5m)

	2016	2015	Movement
	£000s	£000s	
Continuing operations			
Revenue	100,013	60,466	65.4%
Loss before tax	(2,519)	(2,803)	
Depreciation	725	676	
Amortisation	14,553	4,392	
Finance costs	955	886	
EBITDA²	13,714	3,151	335.2%
Restructuring costs	1,289	4,331	
Revaluation of short and long-term derivatives	770	216	
Share based payments charge	2,764	2,066	
Non-trading foreign exchange loss	1,571	774	
M&A costs	472	1,464	
Adjusted EBITDA¹	20,580	12,002	71.5%
Adjusted EBITDA margin ¹	20.6%	19.8%	

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, impairment, share based payments, adjusted for costs associated with derivatives, acquisitions, non-trading exchange rate movements and restructuring of the Group. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue.

Note 2: EBITDA: Earnings before interest, tax, depreciation, amortisation and impairment. Includes a non-cash charge of £2.8 million for share based payments (2015: £2.1 million).

Note 3: Net debt: Cash and cash equivalents less short and long-term borrowings.

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

Key Performance Indicators

The key performance indicators selected are used by the Executive Directors to monitor the Group's performance and progress from continuing operations. During the year we have made good progress across our revenue and deferred revenue metrics.

Eliminating the benefit the Healthcare acquisition, revenues grew by 23.9%. Deferred revenues grew as a combined result the recent acquisition and strong sales in the last quarter of the year, with underlying organic year-on-year growth of 25%.

Net debt did not fall as the Directors had anticipated as a result of the retranslation of the USD denominated loan. The strength of the USD dollar at the end of 2016 compared to 2015 resulted in an increase in the GBP value of the debt by £1.6m.

	Revenue	Adjusted EBITDA	Adjusted EBITDA margin	Deferred Revenue	Net Debt ¹
2016	£100.0m	£20.6m	20.6%	£46.1m	£25.5m
2015	£60.5m	£12.0m	19.8%	£29.3m	£25.5m
% growth	65.4%	71.5%	0.8%	57.3%	0.0%

Note 1: Net debt: Short and long-term borrowings less cash and cash equivalents.

Earnings per share

Basic earnings per share from continuing operations was 1.80 pence per share (2015: loss of (4.08) pence per share). Fully diluted earnings per share from continuing operations was 1.65 pence per share (2015: loss of (4.08) pence per share).

Cash flow

The Group generated £15.0 million of operating cashflow, which equated to 73.1% of Adjusted EBITDA (2015 91.2%). Included within the operating cashflow there were payments in relation to an onerous contract acquired as part of the Consumer acquisition (completed 1 September 2015) of £1.7m and exceptional cash costs of £1.9m. Adjusted for these items, operating cashflow would have been circa £18.6m, which equates to 90.3% of Adjusted EBITDA.

The Group repaid debt of £5.4 million, paid dividends of £5.1m and paid for acquisitions of £2.0m.

Capital expenditure was £1.3 million in 2016 (£1.5 million in 2015). This includes £0.7 million on software (£1.1 million in 2015).

Currency rate and market risk

The Group's primary objective in managing foreign currency risk is to protect against the risk that the eventual Sterling net cash flows will be affected by changes in foreign currency exchange rates. To do this, the Group enters into foreign exchange contracts that limit the risk from movements in US Dollar, Euro and Indian Rupee exchange rates with Sterling. Whilst commercially this hedges the Group's currency exposures, it does not meet the requirements for hedge accounting and accordingly any movements in the fair value of the foreign exchange contracts are recognised in the income statement.

Whilst the longer-term implications of the United Kingdom's vote to leave the European Union are unknown, we do know, in the absence of other relevant factors, that a sustained weakening of Sterling should be of benefit as we derive the majority of our revenues in currencies other than Sterling (principally US Dollar and Euro) and have a more limited exposure to non-Sterling costs. Whilst exchange rate movements have had a modestly dilutive impact on our 2016 results, we do expect these factors to be broadly positive for both revenues and EBITDA in the new financial year.

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

As a business information company, we are not currently impacted by cross border tariffs and we do not expect the re-negotiation of tariffs to impact our business.

Interest rate risk

Interest rate risk is the impact that fluctuations in market interest rates can have on the value of the Group's interest-bearing assets and liabilities and on the interest charge recognised in the income statement. The Group does not manage this risk with the use of derivatives. We consider interest rate risk to be low for the Group. We therefore do not have any risk strategies but review the risk level on a regular basis.

Liquidity risk and going concern

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities as they fall due with surplus facilities to cope with any unexpected variances in timing of cash flows. The Group meets its day-to-day working capital requirements through free cash flow.

Based on cash flow projections, the Group considers the existing financing facilities to be adequate to meet short-term commitments. The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue as a going concern. Accordingly, the Group has prepared the Annual Report and Accounts on a going concern basis.

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

Principal Risks and Uncertainties

The Directors consider that the principal risks and uncertainties facing the Group are:

Risk Description	Potential Impact	Mitigation
<p>Product</p> <p>The success of the Group is wholly dependent on the quality and relevance of our products.</p>	<ul style="list-style-type: none"> Loss of revenues from new and renewable business if the quality and relevance of our products diminishes. 	<ul style="list-style-type: none"> Robust data integrity platform and processes. Continued investment in recruiting and retaining high quality researchers and analysts. Focus on client feedback. External consultants engaged to review quality control procedures.
<p>People and Succession</p> <p>The Group is a people-based business; failure to attract or retain key employees could seriously impede future growth.</p>	<ul style="list-style-type: none"> Failure to recruit or retain key staff could lead to reduced innovation and progress in the business. 	<ul style="list-style-type: none"> The Group operates a competitive remuneration package, with competitive commission and incentive schemes. Long-term incentive schemes with over 100 senior management participants. The strengthening of the Senior Leadership Team to encourage motivation and engagement with the business.
<p>Competition and Clients</p> <p>The Group operates in highly competitive yet fragmented markets.</p>	<ul style="list-style-type: none"> Loss of market share due to changing markets. Reduced financial performance arising from competitive threats. 	<ul style="list-style-type: none"> The Group routinely reviews the competitive landscape to identify potential threats and acquisition opportunities. Our data sets and technology platforms are both unique and difficult to replicate. Aim to embed our products and service in client organisations thereby increase switching costs. Provide improved and best in class client support thereby improving customer satisfaction and retention.
<p>Economic and Global Political Changes</p> <p>The Group's businesses operate in three key geographic markets namely Europe, North America and Asia Pacific all of which have near term economic challenges.</p>	<ul style="list-style-type: none"> Economic and political uncertainty could lead to a reduction or delay in client spending on the services offered by the Group and/ or restriction on the Group's ability to trade in certain jurisdictions. 	<ul style="list-style-type: none"> The Group provides high quality business information services, which are embedded in the day to day operations of our clients. In times of uncertainty, we aim to provide clarity and insight. Management of headcount and overheads. Increased controls over capital expenditure and working capital. We operate in different geographies and therefore operate in a balanced portfolio of markets. As a business information company, we are not currently impacted by cross border tariffs and we do not expect the re-negotiation of tariffs to impact our business, however we monitor the impact of political change and how this affects the Group.

STRATEGIC REPORT

CHIEF EXECUTIVE'S REPORT

Principal Risks and Uncertainties (continued)

Risk Description	Potential Impact	Mitigation
<p>Financial</p> <p>Currency exchange rate fluctuations could adversely impact the Group's consolidated results.</p>	<ul style="list-style-type: none"> The Group's reporting currency is Pounds Sterling. Given the Group's significant international operations, fluctuations in currency exchange rates can affect the Group's consolidated results. 	<ul style="list-style-type: none"> The Group hedges the currency element of its net assets using foreign currency borrowings. The balance sheet and cash flows of the Group are hedged by borrowing in the currency of those cash flows. The Group's treasury position is a recurring agenda item for the Audit Committee.
<p>IT, Cyber and Systems Failure</p>	<ul style="list-style-type: none"> Significant operational disruption caused by a major disaster. 	<ul style="list-style-type: none"> Business continuity plans have been implemented across the Group, including disaster recovery programmes, and plans to minimise business disruption. The Group also has relevant insurance cover for certain occurrences. IT Infrastructure is managed by third party provider with 24 hour management and monitoring with back up and disaster protocols. The Group regularly reviews its cyber security and website security protocols, and has undergone a review from an external third party.
<p>Regulatory Compliance</p>	<ul style="list-style-type: none"> The Group may be subject to regulations restricting its activities or effecting changes in taxation 	<ul style="list-style-type: none"> The majority of the Group's operations are based in the United Kingdom, United States of America and India. Appropriate advisors are employed in all geographies to ensure the Group remains compliant with local laws and regulations. The Group has an anti-bribery policy that has been distributed amongst staff.
<p>Acquisition and Disposal Risk</p>	<ul style="list-style-type: none"> The failure to successfully identify and integrate key acquisitions could lead to loss of profits, inefficient business processes, inconsistent corporate culture and weakened brand. 	<ul style="list-style-type: none"> All acquisitions are subject to rigorous due diligence and operational review, the findings of which are presented to the main Board as part of the supervision and approval process. Where necessary external advisors with either technical and/or local knowledge are engaged.


Mike Danson

Chief Executive, approving the Strategic Report on behalf of the Board
24 February 2017

DIRECTORS' REPORT

The Directors

Bernard Cragg – Executive Chairman

Bernard Cragg is Executive Chairman of GlobalData Plc. Bernard currently sits on the boards of Astro Malaysian Holdings Berhad, Astro Overseas Limited and Astro All Asia Network Limited. Bernard qualified with PricewaterhouseCoopers as a chartered accountant before joining Carlton Communications becoming Chief Financial Officer and Finance Director. Bernard was the Chairman of Datamonitor Plc and during his time there he was an integral part of the executive team that oversaw the rapid growth of the business and its eventual successful sale to Informa in 2007.

Mike Danson - Chief Executive

Mike Danson is Chief Executive of GlobalData Plc. He founded Datamonitor Plc, an online information company, in 1990. In 2000, Datamonitor completed its flotation on the London Stock Exchange and was sold to Informa for £502 million in 2007.

Simon Pyper - Chief Financial Officer

Simon Pyper is Chief Financial Officer of GlobalData Plc. Previously, Simon was Group Finance Director of Datamonitor Plc until its sale to Informa Plc. During his tenure at Datamonitor Plc he supported the business as it delivered significant increases in revenues, earnings and shareholder returns. Simon received an MBA from Henley in 2003 and is a qualified accountant.

Kelsey van Musschenbroek - Non-Executive Director

Kelsey van Musschenbroek joined the Group as a Non-Executive Director on 1 September 2010 upon the acquisition of Canadean. Prior to this, Kelsey was one of the founders of Canadean and has been a director of Canadean since its beginnings in the early 1970s as a specialist strategic think tank for the food and drinks industry. Kelsey has a wealth of experience in market research and analysis including the food and drinks industry, and in particular European soft drinks. After graduating from St Andrew's University, he joined the Financial Times, finishing his time there as Commercial Editor with special responsibility for the international food and drinks industries.

Mark Freebairn - Non-Executive Director

Mark Freebairn is the head of the CFO practice and a member of the board practice at Odgers Berndtson, one of the UK's leading executive search firms. Mark has over eighteen years of experience in the recruitment and executive search industry working principally in Board-level recruitment. Mark has been retained by a number of quoted companies across a broad range of industry sectors to find and recruit both Executive Directors and Non-Executive Directors who can help deliver on their strategic and operational objectives.

Murray Legg - Non-Executive Director

Murray Legg is a chartered accountant with over 35 years of audit and advisory experience gained with PwC in the UK where until retirement in 2013 he held a variety of senior management, governance and client roles. As a partner he spent 15 years auditing and advising a number of major UK companies whose operations covered a broad range of industry sectors. Murray is currently a Non-Executive Director of Sutton and East Surrey Water Plc.

Peter Harkness - Non-Executive Director

Peter Harkness has more than 30 years' experience as a Director or Chairman of several successful businesses, predominantly in the media sector. Peter has played an active role in a number of private equity deals and has gained extensive experience on the boards of both public and private companies. He is currently Chairman of Chrysalis Venture Capital Trust Plc, of the travel media group, Volanti Holdings and e-commerce group MyTimeMedia. Peter was a Non-Executive director of Datamonitor until its sale to Informa. He was Chairman of the Butler Group until its sale to Datamonitor and was Executive Chairman of media monitoring group, Precise Media, now part of WPP.

DIRECTORS' REPORT

Corporate Governance Report

The Group is committed to high standards of corporate governance. Companies can choose to voluntarily adopt the UK Corporate Governance Code. Whilst the Group does not voluntarily adopt all provisions of the Code, we have reported on our Corporate Governance arrangements on pages 16 to 19 by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the company and best practice.

The Board

The Group is led by the Board, which is made up of three Executive Directors and four Non-Executive Directors.

The Non-Executive Directors' shareholdings are detailed in the Directors' Interests table on page 19 of the report. The Board has determined that all the Non-Executive Directors are independent and that their shareholding in the Company does not affect their independence.

In 2016, the Board met 12 times during the year and there is a formal schedule of matters reserved for the consideration of the Board. The Board is responsible to the shareholders for the proper management of the Group. The Board sets and monitors the Group strategy, reviewing trading performance, ensuring adequate funding, examining development possibilities and formulating policy on key issues. The Board is also responsible for monitoring the risk and control environment.

The Executive Chairman is responsible for the running of the Board and together with the Board members, determining the strategy of the Group. The Chief Executive is responsible for the running of the Group's businesses.

The Non-Executive Directors have the opportunity to meet without the Executive Directors in order to discuss the performance of the Board, its committees and individual Directors.

All Directors are required to stand for re-election every year. The terms and conditions of appointment of the Non-Executive Directors are available for inspection at our registered office.

The Company Secretary ensures that the Board and its committees are supplied with papers to enable them to consider matters in good time for meetings and to enable them to discharge their duties. Procedures are in place for the Directors in the furtherance of their duties to take independent professional advice, if necessary at the Company's expense.

The Board has established Audit, Nomination and Remuneration Committees with mandates to deal with specific aspects of its business. The table below details the membership and attendance of individual Directors at Board and committee meetings held during the year ended 31 December 2016.

Board meetings during the year:

	Board	Audit Committee	Remuneration Committee
Number of meetings	12	4	2
Bernard Cragg	12	1*	N/A
Mike Danson	12	N/A	N/A
Simon Pyper	11	N/A	N/A
Kelsey van Musschenbroek	9	4	0
Mark Freebairn	9	4	1
Murray Legg	10	3	1
Peter Harkness	11	4	2

*Bernard Cragg attended the Audit Committee meeting in February 2016 in his role as Chairman of the Audit Committee prior to being appointed Executive Chairman of the Board.

DIRECTORS' REPORT

Corporate Governance Report (continued)

Remuneration Committee

The Remuneration Committee comprises the Chairman Mark Freebairn, Peter Harkness, Murray Legg and Kelsey van Musschenbroek. The Remuneration Committee is responsible for determining the service contract terms, remuneration and other benefits of the Executive Directors, details of which are set out in the Remuneration Report on pages 22 and 23. The terms of reference of the Remuneration Committee are available for inspection on request.

Audit Committee

The Audit Committee is comprised of the Chairman Murray Legg, Peter Harkness, Mark Freebairn and Kelsey van Musschenbroek. Murray Legg is a Chartered Accountant with recent and relevant financial experience.

The Committee met four times in the year with the external auditors in attendance.

The Committee is responsible for reviewing the Interim Report and the Annual Report and Accounts and it oversees the controls necessary to ensure the integrity of the financial information reported to shareholders. The Audit Committee discusses the nature, scope and findings of the audit with the external auditors and monitors the independence of the external auditors. The Committee is also responsible for considering the appointment or re-appointment of external auditors and the audit fee. The terms of reference of the Audit Committee are available for inspection on request.

The Audit Committee discharges its responsibilities through receiving reports from management and advisers, working closely with the auditors, carrying out and reviewing risk assessments and taking counsel where appropriate in areas when required to make a judgement.

The Audit Committee has considered the need for a separate internal audit function but due to the size of the Group and procedures in place to monitor both trading performance and internal controls, it was concluded the costs of a separate internal audit department would outweigh the benefits.

Nominations Committee

The Nominations Committee is comprised of the Chairman Peter Harkness, Murray Legg, Bernard Cragg and Mike Danson. For governance reasons, the Chairman has the casting vote.

Internal control and risk management

The Board has overall responsibility for the Group's system of internal controls and for monitoring its effectiveness. However, such a system is designed to manage rather than eliminate risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Directors review the effectiveness of the Group's system of internal controls. This review extends to all controls including financial, operational, compliance and risk management. Formal risk review is a regular Board agenda item.

The key controls in place have been reviewed by the Board and comprise the following:

- The preparation of comprehensive annual budgets and business plans integrating both financial and operational performance objectives, with an assessment of the associated business and financial risks. The overall Group budget and business plan is subject to approval by the Board.
- Weekly revenue reports are produced and reviewed by management.
- Monthly management accounts are prepared and reviewed by the Board. This includes reporting against key performance indicators and exception reporting.
- An organisational structure with formally defined lines of responsibility. Authorisation limits have been set throughout the Group.
- The quarterly preparation and Board review of management accounting control checklists.

DIRECTORS' REPORT

Corporate Governance Report (continued)

Going concern

The Group meets its day-to-day working capital requirements through free cash flow. Based on cash flow projections, the Group considers the existing financing facilities to be adequate to meet short-term commitments.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue as a going concern. Accordingly, the Group has prepared the Annual Report and Accounts on a going concern basis.

Viability statement

The Directors have assessed the prospect of the Group over a longer period than the 12 months required by the 'Going Concern' provision. In making their assessment, the Board have considered financial forecasts for the next four years as part of the annual planning process. Within the review, the Board considered the Group's cash flows including debt repayment profile and profit forecasts through to the end of 2018.

The Board has also considered the strategic "2020 plan", which sets out objectives and targets for key metrics on profitability and cashflow as well as non-financial metrics such as product quality and customer retention rates. The principal risks detailed on pages 13 and 14 have been considered and in the opinion of the Board, the Group has adequate contingencies in place to mitigate these risks.

Based on the results of their review, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the four year period of their assessment.

Shareholder relationships

The Company operates a corporate website at www.globaldata.com where information is available to potential investors and shareholders.

The Board will use the Annual General Meeting to communicate with shareholders and seek their participation. The Notice of the Annual General Meeting will be circulated more than 21 working days prior to the meeting.

Employee policies

The Group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the factors affecting the performance of the Group. This is achieved through formal and informal meetings.

The Group benefits from the diversity and variety of its workforce and is fully committed to maintaining and encouraging diversity. It is the Group's policy to give full and fair consideration to the employment of disabled persons, the continuing employment of employees becoming disabled, and to the full development of the careers of disabled employees, having regard to their particular abilities.

The Group does not discriminate on the grounds of gender, race, disability, sexuality, religion, philosophical belief, political belief, trade union membership or age as guided by the Equality Act 2010.

At 31 December 2016, the Group employed the following number of employees of each gender:

	2016 No.	2015 No.
Male	1,225	697
Female	733	395
	1,958	1,092

DIRECTORS' REPORT

Corporate Governance Report (continued)

Health and safety

It is the policy of the Group to conduct all business activities in a responsible manner, free from recognised hazards and to respect the environment, health and safety of our employees, customers, suppliers, partners, neighbours and the community at large.

Political donations

The Group has not made any political donations during the year.

Supplier payments policy

It is the Group's policy to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods and services in accordance with agreed terms and conditions. At 31 December 2016 the Group had 56 days' purchases outstanding (2015: 38 days).

Subsequent events

There were no subsequent events.

Financial instruments

Use of financial instruments and exposure to various financial risks has been discussed within the Strategic Report (page 11).

Future developments

Future developments have been discussed within the Strategic Report (page 9).

Directors' Interests

Details of the Company's share capital are set out in note 22 to the financial statements. As at 24 February 2017, Mike Danson had a beneficial interest of 69.7 per cent of the issued ordinary share capital of the Company. No other person has notified any interest in the ordinary shares of the Company, in accordance with AIM Rule 17.

The interests of the Directors in the ordinary shares of the Company were as follows:

	Number of ordinary shares
Bernard Cragg	390,000
Mike Danson	71,304,325
Simon Pyper	150,000
Kelsey van Musschenbroek	374,986
Mark Freebairn	48,944
Murray Legg	15,000
Peter Harkness	70,000

DIRECTORS' REPORT

Audit Committee Report

The Audit Committee plays an important role in the governance of the Group and I am pleased to present our report to you for 2016.

As Chairman of the Audit Committee it was my responsibility to ensure that the Committee was rigorous and effective in its role of monitoring and reviewing:

- The integrity of the financial statements of the Group and any formal announcements relating to financial performance
- The effectiveness of the Group's internal controls and risk management framework
- The integrity of the Group's relationship with the external auditors and the effectiveness of the audit process

During the year the Audit Committee met on four occasions and I am satisfied that we were presented with papers of good quality and in a timely fashion.

The Audit Committee consists of the Chairman Murray Legg, Peter Harkness, Mark Freebairn and Kelsey van Musschenbroek.

The integrity of financial reporting

We reviewed the integrity of the financial statements and all formal announcements relating to financial performance during 2016. As part of the review, we engaged in discussion with the external auditors on whether significant areas of judgement and significant risks were adequately reported and disclosed.

During 2016, we focused upon the following areas:

- Acquisition accounting
- Review of financial reporting systems
- Assessing the impact of IFRS 15, which is effective January 2018

We have adopted the enhanced audit report for the 2016 Annual Report and Accounts. This is not a mandatory requirement, as the Group is AIM listed and has not voluntarily adopted the UK Corporate Governance Code; however the enhanced disclosure has been included as a matter of best practice.

The effectiveness of internal controls and risk management framework

The Committee has a clear process for identifying, evaluating and managing risk. Significant risks faced by the Group are documented in the Group's risk register and considered regularly. The external auditors include a review of the Group's risk register in their audit approach. Furthermore, the Board holds an 'Away Day' each year when the Group's performance, strategy and significant risks are critically evaluated, including a review of the effectiveness of internal controls.

External Auditor

The Committee recommends the reappointment of Grant Thornton UK LLP for 2017. We believe their independence, the objectivity of the external audit and the effectiveness of the audit process is safeguarded and remains strong. This is displayed through their robust internal processes, their continuing challenge, their focused reporting and their discussions with both management and the Audit Committee. We judge Grant Thornton UK LLP through the quality of their audit findings, management's response and stakeholder feedback.

In order to maintain the independence of the external auditors, the Board has determined that non-audit work will not be offered to the external auditors unless there are clear efficiencies and value added benefits to the Group.

DIRECTORS' REPORT

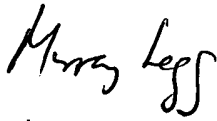
Audit Committee Report (continued)

The Audit Committee annually reviews the remuneration received by the auditors for audit services and non-audit work. Their audit and non-audit fees are set, monitored and reviewed throughout the year (see note 4 of the financial statements). The non-audit fees in the year were not material in the context of the overall fee and the Committee deemed that no conflict existed between such audit and non-audit work.

Tenure of Auditor

Grant Thornton UK LLP have been the Auditor for the Group since the acquisition of TMN Group Plc in 2009 and were also the Auditor of TMN Group Plc prior to that date.

To maintain the objectivity of the audit process the Group actively supports audit partner rotation.



Murray Legg
Chairman of the Audit Committee
24 February 2017

DIRECTORS' REPORT

Directors' Remuneration Report

Unaudited information

The Remuneration Committee

I am pleased to present the Remuneration Committee's report to you for 2016.

The Remuneration Committee consists of the Chairman Mark Freebairn, Peter Harkness, Murray Legg and Kelsey van Musschenbroek. Following my wish not to stand for re-election after the AGM on 25 April 2017, Peter Harkness will assume the role of Chairman.

In the matters to be decided, members have no personal financial interests, other than as shareholders.

Directors' remuneration policy

The Board is responsible for setting the Group's policy on Directors' remuneration and the Remuneration Committee decides on the remuneration package of each Executive Director.

The primary objectives of the Group's policy on executive remuneration are that it should be structured so as to attract and retain executives of a high calibre with the skills and experience necessary to develop the Company successfully and, secondly, to reward them in a way which encourages the creation of value for the shareholders. The performance measurement of the Executive Directors and the determination of their annual remuneration package is undertaken by the Remuneration Committee. No Director is involved in setting his own remuneration.

The main elements of the Executive Directors' remuneration are:

- Basic annual salary - The salaries of the Executive Directors are reviewed annually and reflect the executives' experience, responsibility and the Group's market value.
- Bonus - Based upon performance.
- Other benefits - Other benefits include medical cover and car allowances.
- Share based payments - Full details of the share option scheme operated by the Group are set out in note 23.

Non-Executive Directors' remuneration

All Non-Executive Directors have letters of appointment with the Company and their remuneration is determined by the Board, having considered the level of fees in similar companies. Non-Executive Directors are not entitled to any pension contributions.

Directors' service agreements

It is the Group's policy that Directors should not have service agreements with notice periods capable of exceeding twelve months. The existing service agreements have neither fixed terms nor contractual termination payments but do have fixed notice periods. The details of the service agreements of the current Directors are:

Executive Directors	Contract date	Notice period
Bernard Cragg	12 April 2016	3 months
Mike Danson	1 October 2008	12 months
Simon Pyper	25 June 2009	12 months
Non-Executive Directors		
Kelsey van Musschenbroek	1 September 2010	1 month
Mark Freebairn	13 July 2009	1 month
Murray Legg	23 February 2016	3 months
Peter Harkness	25 June 2009	1 month

DIRECTORS' REPORT

Directors' Remuneration Report (continued)

Audited Information

Directors' emoluments

	Basic salary £000s	Other benefits £000s	2016 total £000s	2015 total £000s
Executive Directors				
Bernard Cragg	158	-	158	50
Mike Danson	50	47	97	89
Simon Pyper	255	2	257	291
Non-Executive Directors				
Kelsey van Musschenbroek	30	-	30	30
Mark Freebairn	30	-	30	30
Murray Legg	34	-	34	-
Peter Harkness	38	-	38	30

The other benefits consist of company cars and health insurance cover.

As at 31 December 2016, Simon Pyper had 350,000 share options in issue (2015: 1,120,000) and Bernard Cragg had 250,000 share options in issue (2015: nil). No options were exercised during 2016 (2015: nil). No other Directors have share options.

Share options

The Group created a share option scheme during the year ended 31 December 2010 and granted the first options under the scheme on 1 January 2011 to certain senior employees. Each option granted converts to one ordinary share on exercise. A participant may exercise their options (subject to employment conditions) at any time during a prescribed period from the vesting date to the date the option lapses.

In order for the remaining options to be exercised, the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed targets of £26.7m and £35m respectively (2015: £18.5 million and £23.5 million respectively). The targets were revised during 2016 following the acquisition of the Healthcare and Consumer businesses to take into account the transformed business.

The total charge recognised for the scheme during the year ended 31 December 2016 was £2.8 million (2015: £2.1 million). The awards of the scheme are settled with ordinary shares of the Company.

By order of the Board



Mark Freebairn

Chairman of the Remuneration Committee

24 February 2017

DIRECTORS' REPORT

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the Group and the parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and the Group for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution to reappoint Grant Thornton UK LLP as auditors to the Company will be proposed at the Annual General Meeting.

Disclosure of information to auditors

The Directors confirm that: so far as each Director is aware, there is no relevant audit information of which the Group's auditors are unaware, and the Directors have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and establish that the Group's auditors are aware of that information.

Annual General Meeting

The Annual General Meeting will be held on 25 April 2017 at John Carpenter House, John Carpenter Street, London EC4Y 0AN at 10am.

On behalf of the Board



Mike Danson
Chief Executive
24 February 2017

Our opinion on the group financial statements is unmodified

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Other matter

We have reported separately on the parent company financial statements of GlobalData plc for the year ended 31 December 2016.

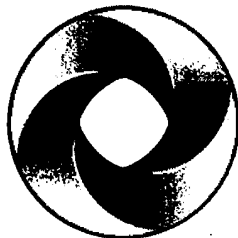
Who are we reporting to

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

What we have audited

GlobalData plc's group financial statements for the year ended 31 December 2016 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.



Overview of our audit approach

- Overall group materiality: £720,000, which represents approximately 3.5% of the group's Earnings before Interest, Taxation, Depreciation and Amortisation ('EBITDA');
- We performed full scope audit procedures for UK locations and full scope and targeted audit procedures for overseas locations; and
- Key audit risks were identified as:
 - Revenue recognition;
 - Acquisition accounting of GlobalData Holding Limited;
 - Intangibles impairment review; and
 - Management override of controls.

Our assessment of risk

In arriving at our opinions set out in this report, we highlight the following risks that, in our judgement, had the greatest effect on our audit:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBALDATA PLC

Audit risk

How we responded to the risk

Revenue recognition

Under International Standards on Auditing (ISAs) (UK and Ireland), there is a presumed risk of fraud in revenue recognition. Because of this, we focused on revenue recognition, particularly given the Group's multiple revenue streams which have different recognition criteria dependent upon the service provided or product sold. We therefore identified revenue recognition as a significant risk requiring special audit consideration.

Our audit work included, but was not restricted to:

- an assessment of the methodology and the internal control environment relating to revenue recognition. This involved assessing the design of key controls in the revenue business cycle as well as reviewing whether the implementation of these key controls was satisfactory;
- reviewing the Group's revenue recognition policy for each revenue stream and assessed whether it was in accordance with IFRSs as adopted by the European Union; and
- performing substantive audit tests. The key substantive testing that we performed was on sales transactions throughout the year across each of the revenue streams to evaluate whether revenue is recognised in accordance with the contract terms, having considered the principles of IFRSs as adopted by the European Union and the commercial substance of the contracts. The substantive testing also addressed whether revenue had been recognised in the correct period given when the service was delivered or product was sold and to ensure appropriate cut off procedures have been applied as well as the recognition of revenue on a gross or net basis. The substantive testing addressed accrued income and deferred revenue balances.

The Group's accounting policy in respect of revenue recognition is included in note 2 to the financial statements and related disclosures are included in note 3.

Acquisition of GlobalData Holding Limited

On 23 December 2015 an agreement was signed to acquire the whole of the issued share capital of GlobalData Holding Limited for total consideration of £66.5m in the form of ordinary shares in the Group.

The GlobalData Holding Limited acquisition was completed on 6 January 2016, which is the point at which management determined that control was obtained. On 19 January 2016 all Resolutions were passed unanimously at the General meeting.

As a result of this acquisition, the Group recorded intangible assets and goodwill of £25.8 million and £56.2 million respectively. Management has made key judgements in determining the allocation of the purchase price to the assets and liabilities acquired and adjustments made to align accounting policies.

The calculation of the intangible assets and goodwill arising from the acquisition required the application of a valuation model to determine the fair value of the identifiable intangible assets. We therefore identified the acquisition of GlobalData Holdings Limited, including the valuation and allocation of the purchase price to the assets and liabilities acquired, as a significant risk requiring special audit consideration.

Our audit work included, but was not restricted to:

- challenging the change of control date given the announcement, tax clearances and completion of all resolutions were held on different dates;
- reviewing relevant purchase documents to assess whether management had identified all the intangible assets;
- engaging our internal valuations specialists to assist the audit team in assessing the underlying assumptions used in the multi-period excess earnings method model and royalty rate model performed by management, and challenging management's calculations and assumptions used. This involved challenging both the identification and valuation of intangible assets. The valuation model includes certain assumptions which are judgemental in nature including estimates of future revenue, growth rates, customer retention rates and discount rates;
- challenging these assumptions with reference to historic data, sensitivity analysis, re-computation and benchmarking against industry data available; and
- challenging the acquisition date based on when control had passed.

The group's accounting policy on the valuation of the acquired intangible assets is shown in notes 1 and 2 to the financial statements and related disclosures are included in note 26.

Intangibles impairment review

A significant balance on the consolidated statement of financial position is intangible assets of £133.5 million, including goodwill of £102.1 million.

Management has determined goodwill to have an indefinite life, and under International Accounting Standard 36: Impairment of Assets ('IAS 36') requires an annual review for impairment. Other intangibles are subject to an impairment test when there is an indication that an asset may be impaired. The process for measuring and recognising impairment under IAS 36 is complex and judgemental. We therefore identified intangibles impairment review as a significant risk requiring special audit consideration.

Our audit work included, but was not restricted to:

- challenging the level of cash generating units identified by management;
- challenging the methodology and assumptions used by management in conducting the impairment review;
- challenging the forecasts prepared by management, where we evaluated the forecasts by comparing them to historic performance and growth rates, understanding the key performance indicators driving revenue and comparing these to market expectations. We challenged the key assumptions in the value in use calculations for goodwill and intangible assets such as cash flow projections, discount rates, long term growth rates and sensitivities used; and
- evaluating the disclosures related to impairment review.

The group's accounting policy on impairment of intangible assets is shown in note 2 to the financial statements and related disclosures are included in note 11.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBALDATA PLC

Audit risk

How we responded to the risk

Management override of controls

Under ISAs (UK and Ireland), for all of our audits we are required to consider the risk of management override of controls. Due to the unpredictable nature of this risk we are required to assess it as a significant risk requiring special audit consideration.

Our audit work included, but was not restricted to:

- specific procedures relating to this risk that are required by ISA (UK and Ireland) 240 'The Auditors Responsibilities relating to Fraud in an Audit of Financial Statements'. This included profiling journal entries and focusing on unusual items. We tested a sample of journal entries by tracing the journal entries to source documentation and testing whether the journals were appropriately approved, posted to the correct account codes and correct periods, and tested whether they were valid company expenses;
- evaluating the key judgements and assumptions in management's estimates and testing for significant transactions outside the normal course of business; and
- undertaking a detailed review of related party transactions to understand the nature of transaction and movements from the prior year.

Our application of materiality and an overview of the scope of our audit

Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

We determined materiality for the audit of the group financial statements as a whole to be £525,000, which is approximately 3.5% of the group's Earnings before Interest, Taxation, Depreciation and Amortisation ('EBITDA') at the planning stage of our audit. This benchmark is considered the most appropriate because, in our view, this is the metric against which the financial performance of the Group is measured both internally and externally.

We revised the materiality determined at the planning stage from £525,000 to £720,000 based on the final consolidated EBITDA figures. The benchmark of 3.5% of EBITDA remained unchanged, as we judged that this was appropriate in the context of the group's actual financial results.

Materiality for the current year is higher than the level that we determined for the year ended 31 December 2015 to reflect the increase in the group's EBITDA.

We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 70% of financial statement materiality for the audit of the group financial statements. We also determine a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.

We determined the threshold at which we will communicate misstatements to the Audit Committee to be £36,000. In addition, we will communicate misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Overview of the scope of our audit

A description of the generic scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

We conducted our audit in accordance with ISAs (UK and Ireland). Our responsibilities under those standards are further described in the 'Responsibilities for the financial statements and the audit' section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the Auditing Practices Board's Ethical Standards for Auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

Our audit approach was based on a thorough understanding of the group's business and is risk based, and in particular included:

- an audit of the financial statements of the parent company, GlobalData Plc;
- evaluating controls over key financial systems identified as part of our risk assessment. This included a review of the general IT controls, the accounts production process and the controls addressing critical accounting matters identified in our risk assessment;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBALDATA PLC

- substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls over individual systems and the management of specific risks; and
- an assessment of the Group entities. The Group is predominately based within the UK and comprises a number of UK subsidiaries which are centrally managed and controlled. In establishing the overall approach to the Group audit, we determined the UK subsidiaries that required an audit, to a subsidiary level of materiality, which provides coverage of over 99% of Group revenues and 87% of EBITDA. Whilst the majority of the Group's operations are located in the UK, there are a number of other overseas subsidiaries with the largest being in the US. We assessed the work required in respect of overseas subsidiaries 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. The audit testing for the overseas subsidiaries in respect of the group audit was performed by the Group audit team.

Other reporting required by regulations

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the group financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

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

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities for the financial statements and the audit

What the directors are responsible for:

As explained more fully in the Statement of Directors' Responsibilities set out on page 24, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view.

What are we responsible for:

Our responsibility is to audit and express an opinion on the group financial statements in accordance with applicable law and ISAs (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.



Nicholas Page

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

24 February 2017

Consolidated Income Statement

	Notes	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Continuing operations			
Revenue	3	100,013	60,466
Cost of sales		(65,781)	(36,745)
Gross profit		34,232	23,721
Distribution costs		(63)	(804)
Administrative costs		(15,466)	(12,391)
Other expenses	5	(20,267)	(12,443)
Operating loss	4	(1,564)	(1,917)
<i>Analysed as:</i>			
Adjusted EBITDA¹		20,580	12,002
Items associated with acquisitions and restructure of the Group	5	(1,761)	(5,795)
Other adjusting items	5	(5,105)	(3,056)
EBITDA²		13,714	3,151
Amortisation		(14,553)	(4,392)
Depreciation		(725)	(676)
Operating loss		(1,564)	(1,917)
Finance costs	8	(955)	(886)
Loss before tax from continuing operations		(2,519)	(2,803)
Income tax credit/ (expense)	9	4,332	(306)
Profit/ (loss) for the year from continuing operations		1,813	(3,109)
Loss for the year from discontinued operations	25	(717)	(7,992)
Profit/ (loss) for the year		1,096	(11,101)
Earnings/ (loss) per share attributable to equity holders from continuing operations:	10		
Basic earnings/ (loss) per share (pence)		1.80	(4.08)
Diluted earnings/ (loss) per share (pence)		1.65	(4.08)
Loss per share attributable to equity holders from discontinued operations:			
Basic loss per share (pence)		(0.71)	(10.48)
Diluted loss per share (pence)		(0.71)	(10.48)
Total basic earnings/ (loss) per share (pence)		1.09	(14.56)
Total diluted earnings/ (loss) per share (pence)		1.00	(14.56)

The accompanying notes form an integral part of this financial report.

¹ We define Adjusted EBITDA as EBITDA adjusted for costs associated with acquisitions, restructuring of the Group, share based payments, non-trading exchange rate movements, impairment and impact of foreign exchange contracts. See note 5 of the financial statements for details. We present Adjusted EBITDA as additional information because we understand that it is a measure used by certain investors and because it is used as the measure of Group profit or loss. However, other companies may present Adjusted EBITDA differently. EBITDA and Adjusted EBITDA are not measures of financial performance under IFRS and should not be considered as an alternative to operating profit or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any other measure of performance derived in accordance with IFRS.

² EBITDA is defined as earnings before interest, tax, depreciation, amortisation and impairment.

Consolidated Statement of Comprehensive Income

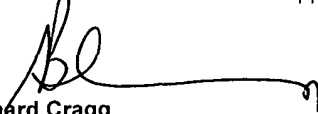
	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Profit/ (loss) for the year	1,096	(11,101)
Other comprehensive income		
Items that will be classified subsequently to profit or loss:		
Net exchange gains/ (losses) on translation of foreign entities	108	(55)
Other comprehensive income/ (loss), net of tax	108	(55)
Total comprehensive income/ (loss) for the year	1,204	(11,156)

The accompanying notes form an integral part of this financial report.

Consolidated Statement of Financial Position

	Notes	31 December 2016 £000s	31 December 2015 £000s
Non-current assets			
Property, plant and equipment	12	1,353	1,297
Intangible assets	11	133,506	62,540
Trade and other receivables	27	4,625	-
Deferred tax assets	16	4,137	2,042
		143,621	65,879
Current assets			
Inventories	14	-	77
Current tax receivable		639	432
Trade and other receivables	15	42,608	32,089
Short-term derivative assets	13	94	-
Cash and cash equivalents		6,447	10,117
		49,788	42,715
Assets classified as held for sale		-	6,425
Total assets		193,409	115,019
Current liabilities			
Trade and other payables	17	(64,775)	(46,061)
Short-term borrowings	18	(5,737)	(5,214)
Short-term derivative liabilities	13	(1,089)	(201)
Short-term provisions	20	(1,364)	(1,649)
		(72,965)	(53,125)
Non-current liabilities			
Long-term provisions	20	(223)	(954)
Deferred tax liabilities	16	(4,655)	(3,218)
Long-term derivative liabilities	13	-	(24)
Long-term borrowings	18	(26,162)	(30,359)
		(31,040)	(34,555)
Liabilities classified as held for sale		-	(2,128)
Total liabilities		(104,005)	(89,808)
Net assets		89,404	25,211
Equity			
Share capital	22	173	154
Share premium account		200	200
Treasury reserve		(960)	-
Other reserve		(37,128)	(37,128)
Special reserve		-	48,422
Merger reserve		66,481	-
Foreign currency translation reserve		(73)	(181)
Retained profit		60,711	13,744
Total equity		89,404	25,211

These financial statements were approved by the board of directors on 24 February 2017 and signed on its behalf by:


Bernard Cragg
 Executive Chairman


Mike Danson
 Chief Executive

Company Number 03925319

The accompanying notes form an integral part of this financial report.

Consolidated Statement of Changes in Equity

	Share capital	Share premium account	Treasury reserve	Other reserve	Merger reserve	Special reserve	Foreign currency translation reserve	Retained profit	Total equity
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 January 2015	154	200	-	(37,128)	-	48,422	(126)	23,106	34,628
Loss for the year	-	-	-	-	-	-	-	(11,101)	(11,101)
Other comprehensive income:									
Net exchange losses on translation of foreign entities	-	-	-	-	-	-	(55)	-	(55)
Total comprehensive loss for the year	-	-	-	-	-	-	(55)	(11,101)	(11,156)
Transactions with owners:									
Share based payments charge	-	-	-	-	-	-	-	2,066	2,066
Excess deferred tax on share based payments	-	-	-	-	-	-	-	(327)	(327)
Balance at 31 December 2015	154	200	-	(37,128)	-	48,422	(181)	13,744	25,211
Profit for the year	-	-	-	-	-	-	-	1,096	1,096
Other comprehensive income:									
Net exchange gains on translation of foreign entities	-	-	-	-	-	-	108	-	108
Total comprehensive income for the year	-	-	-	-	-	-	108	1,096	1,204
Transactions with owners:									
Shares issued for GlobalData Holding acquisition	19	-	-	-	66,481	-	-	-	66,500
Dividends	-	-	-	-	-	-	-	(5,113)	(5,113)
Share buy back	-	-	(960)	-	-	-	-	-	(960)
Special reserve transfer	-	-	-	-	-	(48,422)	-	48,422	-
Share based payments charge	-	-	-	-	-	-	-	2,764	2,764
Excess deferred tax on share based payments	-	-	-	-	-	-	-	(202)	(202)
Balance at 31 December 2016	173	200	(960)	(37,128)	66,481	-	(73)	60,711	89,404

The accompanying notes form an integral part of this financial report.

Consolidated Statement of Cash Flows

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Continuing operations		
Cash flows from operating activities		
Profit/ (loss) for the year from continuing operations	1,813	(3,109)
Adjustments for:		
Depreciation	725	676
Amortisation	14,553	4,392
Finance costs	955	886
Taxation recognised in profit or loss	(4,332)	306
Loss on disposal of fixed assets	48	-
Non-trading foreign exchange loss	1,571	774
Share based payments charge	2,764	2,066
Increase in trade and other receivables	(7,936)	(6,504)
Decrease in inventories	1	73
Increase in trade payables	5,121	9,018
Revaluation of short and long-term derivatives	770	216
Movement in provisions	(1,016)	2,151
Cash generated from continuing operations	15,037	10,945
Interest paid (continuing operations)	(999)	(775)
Income taxes paid (continuing operations)	(1,562)	(2,182)
Net cash from operating activities (continuing operations)	12,476	7,988
Net decrease in cash and cash equivalents from discontinued operations	(604)	(1,624)
Total cash flows from operating activities	11,872	6,364
Cash flows from investing activities (continuing operations)		
Acquisitions	(2,878)	(20,679)
Purchase of property, plant and equipment	(578)	(468)
Purchase of intangible assets	(682)	(1,066)
Net cash used in investing activities (continuing operations)	(4,138)	(22,213)
Net decrease in cash and cash equivalents from discontinued operations	-	-
Total cash flows used in investing activities	(4,138)	(22,213)
Cash flows from financing activities (continuing operations)		
Repayment of short-term borrowings	(5,379)	(1,920)
Proceeds from long-term borrowings	-	20,000
Dividends paid	(5,113)	-
Share Buyback	(960)	-
Net cash (used in)/ from financing activities (continuing operations)	(11,452)	18,080
Net decrease in cash and cash equivalents from discontinued operations	-	-
Total cash flows (used in)/ from financing activities	(11,452)	18,080
Net (decrease)/ increase in cash and cash equivalents	(3,718)	2,231
Cash and cash equivalents at beginning of year	10,117	8,261
Effects of currency translation on cash and cash equivalents	48	(375)
Cash and cash equivalents at end of year	6,447	10,117

The accompanying notes form an integral part of this financial report.

Notes to the Consolidated Financial Statements

1. General information

Nature of operations

The principal activity of GlobalData Plc and its subsidiaries ('the Group') is to enable organisations in the Consumer, ICT and Healthcare markets to gain competitive advantage by providing unique, high quality business information and services across multiple platforms.

GlobalData Plc ('the Company') is a company incorporated in the United Kingdom and listed on the Alternative Investment Market. The registered office of the Company is John Carpenter House, John Carpenter Street, London, EC4Y 0AN. The registered number of the Company is 03925319.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of derivative financial instruments. These financial statements have been prepared in accordance with the accounting policies detailed below. The accounting policies have been applied consistently throughout the Group.

These financial statements are presented in Pounds Sterling (£), which is also the functional currency of the Company. These financial statements have been approved for issue by the Board of Directors.

Critical accounting estimates and judgements

The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may deviate from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to valuation of acquired intangible assets, recoverability of deferred tax assets, provisions for share based payments, provision for doubtful debts and carrying value of goodwill and other intangibles.

Valuation of acquired intangibles

Management identified and valued acquired intangible assets on acquisitions that were made during the periods disclosed in the financial statements. Management has applied judgements in identifying and valuing intangible assets separate from goodwill that consist of assessing the value of software, brands, intellectual property rights and customer relationships. The Board have a policy of engaging professional advisors on acquisitions with a purchase price greater than £10 million to advise and assist in calculating intangible asset values. The Group consistently applies the following methodologies for each class of identified intangible:

- Customer relationships – Net present value of future cash flows
- Intellectual Property – Cost to recreate the asset
- Brands – Royalty relief method

Assumptions are made on the useful life of an intangible and if shortened, would increase the amortisation charge recognised in the income statement. The identified intangibles are set out in note 11.

There are a number of assumptions in estimating the present value of future cash flows including management's expectation of future revenue, renewal rates for subscription customers, costs, timing and quantum of future capital expenditure, long-term growth rates and discount rates.

In addition to identifying and valuing intangible assets, a key judgement relates to identifying the date on which the Group assumes control of acquisitions. For the GlobalData Holding Limited acquisition detailed in note 26, management identified the date of control as 6 January 2016, as this is when a tax clearance and an irrevocable commitment to vote in favour of the resolutions to approve the transaction were obtained.

Recoverability of deferred tax assets

The Group has recognised a significant deferred income tax asset in its financial statements which requires judgement for determining the extent of its recoverability at each balance sheet date. The Group assesses recoverability with reference to Board approved forecasts of future taxable profits. These forecasts require the use of assumptions and estimates. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. A deferred tax asset additionally exists in relation to the temporary tax and accounting difference in relation to the share based payment scheme. Additional disclosures on the calculation of share based payments are provided in note 23.

Share based payments

The Group operates a share based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options and awards that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The significant judgements involved in calculating the share based payments charge are the fair value at the date of grant which is determined by using the Black-Scholes model, the senior management retention rate which is determined with reference to historical churn and the estimated vesting periods which are determined with reference to the Group's forecasts. Additional disclosures on the calculation of share based payments are provided in note 23.

Provision for doubtful debts

The Group is required to judge when there is sufficient objective evidence to require the impairment of individual trade receivables. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the customer entity and the status of any disputed amounts. The Group will also review the previous payment profile of the customer and liaise with the customers' management team before concluding on whether a provision is required. The provision for doubtful debts and the ageing of overdue trade receivables are included in note 15 to the financial statements. Additional disclosures on the assumptions behind the provision are provided in note 19 within the section on credit risk.

Carrying value of goodwill and other intangibles

The carrying value of goodwill and other intangibles is assessed at least annually to ensure that there is no need for impairment. Performing this assessment requires management to estimate future cash flows to be generated by the related cash generating unit, which entails making judgements including the expected rate of growth of sales, margins expected to be achieved, the level of future capital expenditure required to support these outcomes and the appropriate discount rate to apply when valuing future cash flows. See note 11 for further details on intangibles and goodwill.

Going concern

The Group meets its day-to-day working capital requirements through free cash flow. Based on cash flow projections the Group considers the existing financing facilities to be adequate to meet short-term commitments.

The finance facilities were issued with debt covenants which are measured on a quarterly basis. Management have reviewed forecasted cash flows and there is no indication that there will be any breach in the next 12 months.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue as a going concern. Accordingly, the Group has prepared the annual report and financial statements on a going concern basis.

2. Accounting policies

a) Basis of consolidation

The consolidated financial statements include the accounts of the Company and all of its subsidiary undertakings.

- Subsidiaries are those entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the Group's accounting policies.
- The results and cash flows relating to a business are included in the consolidated income statement and the consolidated statement of cash flows from the date of acquisition or are excluded from the date of disposal as appropriate.

b) Change to accounting policies

This report has been prepared based on the accounting policies detailed in the Group's financial statements for the year ended 31 December 2016 and is consistent with the policies applied in the previous year.

c) International Financial Reporting Standards ("Standards") in issue but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

- IFRS 9 Financial Instruments (Issued on 24 July 2014)
- IFRS 14 Regulatory Deferral Accounts (issued on 30 January 2014)
- IFRS 15 Revenue from Contracts with Customers (issued on 28 May 2014) including amendments to IFRS 15: Effective date of IFRS 15 (issued on 11 September 2015)
- IFRS 16 Leases (Issued on 13 January 2016)
- Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses
- Amendments to IAS 7: Disclosure Initiative (issued on 29 January 2016)
- Clarifications to IFRS 15 Revenue from Contracts with Customers (issued on 12 April 2016)
- Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions (issued on 20 June 2016)
- Annual improvements to IFRS 2014-2016 Cycle (Issued 8 December 2016) - Relating to IFRS 1 First time adoption of IFRS and IAS 28 Investment in associates and joint ventures
- Annual improvements to IFRS 2014-2016 Cycle (Issued 8 December 2016) - Relating to IFRS 12 Disclosure of interest in other entities
- IFRIC Interpretation 22 Foreign currency transactions and advance considerations (issued on 8 December 2016)

Management are reviewing the impact of IFRS 9, IFRS 15 and IFRS 16 and apart from these it is anticipated that there will be minimal impact on the financial statements from the adoption of these new and revised standards. It is anticipated that there will be minimal impact on revenue recognition once IFRS 15 becomes effective in January 2018. None of the above standards are effective and therefore have not been applied in the financial statements.

d) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and comprises amounts derived from services performed by the Group during the year.

- Subscription based service revenue is recognised on a straight-line basis over the period of the contractual term.
- Revenue from reports are recognised upon delivery.
- Revenue from the provision of bespoke research services is recognised by reference to stage of completion. Stage of completion is measured by reference to contractual obligations of each transaction.
- Event revenue is recognised when the event is held.
- Revenue from email advertising, lead generation sources and website publishing is recognised on completion of the relevant campaign or transaction after performance criteria have been fulfilled. Commission from pay for performance actions such as clicks, leads or sales generated resulting from advertising of a merchant's products or services on customers' websites is recognised on completion of performance criteria and any defined cancellation period.

Where amounts have been invoiced in advance of services performed, this is included within deferred revenue.

e) Property, plant and equipment

Property, plant and equipment is stated at historic cost, including expenditure that is directly attributable to the acquired item, less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight line basis over the estimated useful life of an asset and is applied to the cost less any residual value. The asset classes are depreciated over the following periods:

- Fixtures, fittings and equipment – over 3 to 5 years
- Leasehold improvements – over 3 to 10 years

The useful life, the residual value and the depreciation method are reassessed at each reporting date.

Where there is an indication of impairment, the carrying value of the property, plant and equipment is compared to the higher of value in use and the fair value less costs to sell. If the carrying value exceeds the higher of the value in use and fair value less the costs to sell the asset then the asset is impaired and its value reduced.

f) Intangible assets

Goodwill

Goodwill is recognised to the extent that it arises through a business combination and represents the difference between the consideration transferred and the fair value of net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to appropriate cash generating units (those expected to benefit from the business combination) and is tested annually for impairment. In testing for impairment, the recoverable amount of a CGU based on value-in-use calculations is compared to the carrying value of goodwill. These calculations use pre-tax cash flow projections based on five-year financial budgets approved by management. Cash flows beyond the five year period are extrapolated using estimated long term growth rates. Any impairment losses in respect of goodwill are not reversed.

Acquired intangible assets

Acquired intangible assets include software, customer relationships, brands and intellectual property (IP) rights. Intangible assets acquired in material business combinations are capitalised at their fair value as determined by reference to the methodologies, judgements and policies disclosed on page 34. Intangible assets are amortised on a straight-line basis over their estimated useful lives of three to ten years for brands and customer relationships and twenty years for IP rights. Amortisation charges are accounted for within the other expenses category within the income statement. Impairment charges are accounted for within the other expenses category within the income statement. Within note 5, the Group separates out amortisation of acquired intangibles from other group amortisation charges.

Computer software and websites

Non-integral computer software purchases are capitalised at cost as intangible assets. The Group also capitalises development costs associated with new products in accordance with the development criteria prescribed within IAS 38 "Intangible Assets". These costs are amortised over their estimated useful lives of 3 years. Costs associated with implementing or maintaining computer software programmes are recognised as an expense. Amortisation and impairment charges are accounted for within the administrative costs category within the income statement.

Impairment of intangible assets

Assets that have an indefinite useful life are not subject to amortisation but are reviewed for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 and 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).

g) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using rates substantively enacted at the reporting date, and any adjustments to the tax payable in respect of previous years.

Deferred taxation is provided in full on temporary differences between the carrying amount of the assets and liabilities in the financial statements and the tax base. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax is determined using the tax rates that have been enacted or substantially enacted by the reporting date, and are expected to apply when the deferred tax liability is settled or the deferred tax asset is realised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is not provided on temporary differences arising on the initial recognition of goodwill or on assets and liabilities other than in a business combination.

Tax is recognised in the income statement, except where it relates to items recognised as other comprehensive income, in which case it is recognised in the statement of other comprehensive income, and tax which related to items recognised in equity is recognised in equity.

h) Foreign currencies

The results are presented in Pounds Sterling (£) which is the presentation currency of the Group.

Foreign currency transactions are translated into Sterling at the rates of exchange ruling at the date of the transaction, and if still in existence at the year end the balance is retranslated at the rates of exchange ruling at the reporting date. Differences arising from changes in exchange rates during the year are taken to the income statement.

The assets and liabilities of entities with a functional currency other than Sterling are expressed in Sterling using exchange rates prevailing on the reporting date. Income and expense items and cash flows are translated at the average exchange rates for the period and exchange differences arising are recognised in other comprehensive income. Additionally, opening reserves of entities with a functional currency other than Sterling are stated at the rate prevalent at the date of acquisition and differences arising are recognised in other comprehensive income. Such translation differences are recognised in the income statement in the period in which a foreign operation is disposed of.

i) Pensions

The Group's contributions to pension schemes for its employees, all of which are defined contribution schemes, are charged to the income statement as incurred.

j) Provisions

A provision is recognised in the statement of financial position when the Group has a legal obligation or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle that obligation, and a reliable estimate of the amount can be made. Provisions are discounted if the time value of money is material.

k) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

l) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership do not transfer to the lessee are charged to the income statement on a straight line basis over the period of the lease. Rental income from sub-leasing property space is recognised on a straight line basis over the period of the relevant lease.

m) Financial instruments

The Group has derivative and non-derivative financial instruments which comprise foreign currency contracts, receivables, cash, loans and borrowings, and trade payables.

Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised if the contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. Financial liabilities are de-recognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash comprises cash balances and highly liquid call deposits. Bank overdrafts that form an integral part of the Group's cash management are included as a component of cash for the purpose of the statement of cash flows.

Derivative financial instruments

The Group uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. Derivatives are measured at fair values and any movement in fair value is recognised in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method, less any impairment losses. Accounts receivable are recorded initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment due to bad and doubtful accounts. The provision for doubtful debts is based on management's assessment of amounts considered uncollectible for specific customers or groups of customers based on age of debt, history of payments, account activity, economic factors and other relevant information. The amount of the provision is the difference between the asset's unamortised cost and the present value of estimated future cash flows, discounted at an effective interest rate. The provision expense is recognised in the income statement.

Bad debts are written off against the provision for doubtful debts in the period in which it is determined that the debts are uncollectible. If those debts are subsequently collected then a gain is recognised in the income statement.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using a weighted average method.

o) Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months from the reporting date.

Borrowing costs, being interest and other costs incurred in connection with the servicing of borrowings, are recognised as an expense when incurred.

p) Share based payments

The Group operates a share based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense in the income statement. The total amount to be expensed is determined by reference to the fair value of the options granted (fair value at the date of grant determined using the Black-Scholes model), excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options and awards that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to the share based payments reserve within equity.

q) Dividends

Dividends on the Group's ordinary shares are recognised as a liability in the Group's financial statements, and as a deduction from equity, in the period in which the dividends are declared. Where such dividends are proposed subject to the approval of the Group's shareholders, the dividends are only declared once shareholder approval has been obtained.

r) Employee Benefit Trust

The assets and liabilities of the Employee Benefit Trust have been included in the Group's financial statements because the Employee Benefit Trust is controlled by the Group.

The cost of purchasing own shares held by the Employee Benefit Trust are shown as a deduction in arriving at total shareholders' equity.

3. Segmental analysis

The principal activity of GlobalData Plc and its subsidiaries is to enable organisations in the Consumer, ICT and Healthcare markets to gain competitive advantage by providing unique, high quality business information and services across multiple platforms.

IFRS 8 "Operating Segments" requires the segment information presented in the financial statements to be that which is used internally by the chief operating decision maker to evaluate the performance of the business and to decide how to allocate resources. The Group has identified the Executive Directors as its chief operating decision maker.

Business information is provided to customers through one single brand via multiple channels by a dedicated content team that is centrally managed by Research Directors who report directly to the Executive Directors. Business information is therefore considered to be the operating segment of the Group.

The Group profit or loss is reported to the Executive Directors on a monthly basis and consists of earnings before interest, tax, depreciation, amortisation, central overheads and other adjusting items.

A reconciliation of Adjusted EBITDA to loss before tax from continuing operations is set out below:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Business Information	100,013	60,466
Total Revenue	100,013	60,466
Adjusted EBITDA	20,580	12,002
Other expenses (see note 5)	(20,267)	(12,443)
Depreciation	(725)	(676)
Amortisation (excluding amortisation of acquired intangible assets)	(1,152)	(800)
Finance costs	(955)	(886)
Loss before tax from continuing operations	(2,519)	(2,803)

Geographical analysis

From continuing operations

Year ended 31 December 2016	UK	Europe	Americas	Rest of World	Total
	£000s	£000s	£000s	£000s	£000s
Revenue from external customers	22,840	27,598	35,580	13,995	100,013
Year ended 31 December 2015	UK	Europe	Americas	Rest of World	Total
	£000s	£000s	£000s	£000s	£000s
Revenue from external customers	15,075	17,758	20,470	7,163	60,466

Intangible assets held in the US were £13.5 million, of which £11.6 million related to Goodwill. The Group also holds £2.6 million of deferred tax asset in the US. All other non-current assets are held in the UK. There were no major customers. The largest customer represented less than 2% of the Group's consolidated revenue.

4. Operating loss

Operating loss is stated after the following expenses relating to continuing operations:

	Year ended 31 December 2016	Year ended 31 December 2015
	£000s	£000s
Depreciation of property, plant and equipment	725	676
Amortisation of intangible assets	14,553	4,392
(Gain)/ loss on foreign exchange	(348)	105
Operating lease expense – land and buildings	2,220	1,836
Operating lease expense – other	12	46
Auditor's remuneration	229	198

Auditor's remuneration

	Year ended 31 December 2016	Year ended 31 December 2015
	£000s	£000s
Audit of the Company's and the consolidated financial statements	75	70
Audit of subsidiary companies' financial statements	125	92
Audit-related assurance services	25	25
Other non-audit services	4	11
	229	198

5. Other expenses

	Year ended 31 December 2016	Year ended 31 December 2015
	£000s	£000s
Restructuring costs	1,289	4,331
M&A costs	472	1,464
Items associated with acquisitions and restructure of the Group	1,761	5,795
Share based payments charge	2,764	2,066
Revaluation of short and long-term derivatives	770	216
Non-trading foreign exchange loss	1,571	774
Amortisation of acquired intangibles	13,401	3,592
Total other expenses	20,267	12,443

- Restructuring costs relates to redundancies and other restructuring, largely in relation to the integration of acquisitions made during the current and comparative years.
- The M&A costs relate to due diligence and corporate finance activity during the current and comparative years.
- The share based payments charge relates to the share option scheme (see note 23).
- The revaluation of short and long-term derivatives relates to movement in the fair value of the short and long-term derivatives detailed in note 13.
- Non-trading foreign exchange losses relate to non-cash exchange losses made on non-trading items such as loans denominated in foreign currencies.

6. Particulars of employees

Employee benefit expense

From continuing operations

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Wages and salaries	60,982	32,269
Social security costs	4,874	2,974
Pension costs	799	441
Share based payments charge	2,764	2,066
	69,419	37,750

Pension costs represents payments made into defined contribution schemes.

Number of employees

The average monthly number of persons, including Executive Directors, employed by the Group during the year was as follows:

	Year ended 31 December 2016 No.	Year ended 31 December 2015 No.
Sales and administrative staff	1,863	978

7. Key management compensation

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Short-term employee benefits	2,598	1,666
Long-term employee benefits	48	12
Share based payments	610	800
	3,256	2,478

Information regarding Directors' remuneration, share options, bonuses and pension contributions are set out in the Directors' Remuneration Report on pages 22 to 23.

8. Finance income and costs

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Bank interest charge	12	14
Loan interest	1,056	801
Other interest (receivable)/ charge	(113)	71
	955	886

9. Income tax

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Income statement		
Current income tax:		
Current income tax	(2,498)	(2,572)
Adjustments in respect of prior years	1,331	1,094
	(1,167)	(1,478)
Deferred income tax:		
Excess of depreciation over capital allowances on property, plant and equipment and intangible assets	75	22
Deferred tax on acquired intangibles	2,754	719
Movement on losses	(733)	242
Change in corporate tax rate	(67)	31
Deferred tax on share based payments	444	418
Adjustments in respect of prior years	3,026	(260)
	5,499	1,172
Total income tax credit/ (charge) in income statement	4,332	(306)

Included in the deferred tax adjustment in relation to prior years is recognition of tax losses previously unrecognised in one of the Group's US subsidiaries.

The tax credit/ (charge) is reconciled to the standard corporation tax rate applicable in the UK as follows:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Loss on ordinary activities before tax	(2,519)	(2,803)
Tax at the UK corporation tax rate of 20% (2015: 20.25%)	504	568
Effects of:		
Adjustments in respect of prior years	4,357	834
Income not taxable	510	-
Expenses not deductible for tax	177	(859)
Overseas tax not at a standard rate	(567)	(591)
Change in corporation tax rate	(67)	31
Unprovided deferred tax	(582)	(289)
	4,332	(306)

10. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders of the parent company divided by the weighted average number of shares in issue during the year. The Group also has a share options scheme in place and therefore the Group has calculated the dilutive effect of these options. The below table shows earnings per share for both continuing and discontinued operations:

	Year ended 31 December 2016	Year ended 31 December 2015
Continuing operations		
Basic		
Profit/ (loss) for the year attributable to ordinary shareholders of the parent company (£000s)	1,813	(3,109)
Weighted average number of shares (000s)	100,632	76,268
Basic earnings/ (loss) per share (pence)	1.80	(4.08)
Diluted		
Profit/ (loss) for the year attributable to ordinary shareholders of the parent company (£000s)	1,813	(3,109)
Weighted average number of shares* (000s)	110,082	76,268
Diluted earnings/ (loss) per share (pence)	1.65	(4.08)
Discontinued operations		
Basic		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	(717)	(7,992)
Weighted average number of shares (000s)	100,632	76,268
Basic loss per share (pence)	(0.71)	(10.48)
Diluted		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	(717)	(7,992)
Weighted average number of shares* (000s)	100,632	76,268
Diluted loss per share (pence)	(0.71)	(10.48)
Total		
Basic		
Profit/ (loss) for the year attributable to ordinary shareholders of the parent company (£000s)	1,096	(11,101)
Weighted average number of shares (000s)	100,632	76,268
Basic earnings/ (loss) per share (pence)	1.09	(14.56)
Diluted		
Profit/ (loss) for the year attributable to ordinary shareholders of the parent company (£000s)	1,096	(11,101)
Weighted average number of shares* (000s)	110,082	76,268
Diluted earnings/ (loss) per share (pence)	1.00	(14.56)

Reconciliation of basic weighted average number of shares to the diluted weighted average number of shares:

	31 December 2016 No'000s	31 December 2015 No'000s
Basic weighted average number of shares	100,632	76,268
Share options in issue at end of year	9,450	7,558
Diluted weighted average number of shares	110,082	83,826

* Where the share options in issue are anti-dilutive in respect of the diluted loss per share calculation in 2016 and 2015, the options have not been included in the calculation.

11. Intangible assets

	Software	Customer relationships	Brands	IP rights	Goodwill	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Cost						
As at 1 January 2015	5,359	14,193	1,893	12,267	41,022	74,734
Additions: Business Combinations	-	1,656	2,924	7,337	16,551	28,468
Additions: Separately Acquired	1,066	-	-	-	-	1,066
Fair value adjustments	-	-	-	-	241	241
Foreign currency retranslation	(2)	-	-	-	-	(2)
Transfer to 'Asset Held for Sale' Classification	-	-	-	(8,207)	(4,335)	(12,542)
As at 31 December 2015	6,423	15,849	4,817	11,397	53,479	91,965
Additions: Business Combinations	461	9,726	5,878	11,132	57,824	85,021
Additions: Separately Acquired	682	-	-	-	-	682
Fair value adjustments	-	-	-	-	152	152
Foreign currency retranslation	112	-	-	-	-	112
Disposals	(101)	-	-	-	-	(101)
As at 31 December 2016	7,577	25,575	10,695	22,529	111,455	177,831
Amortisation						
As at 1 January 2015	(3,360)	(9,633)	(200)	(9,778)	(9,360)	(32,331)
Charge for the year	(984)	(982)	(441)	(1,985)	-	(4,392)
Charge for the year from Assets held-for-sale	-	-	-	(409)	-	(409)
Foreign currency retranslation	(2)	-	-	-	-	(2)
Transfer to 'Asset Held for Sale' Classification	-	-	-	7,709	-	7,709
As at 31 December 2015	(4,346)	(10,615)	(641)	(4,463)	(9,360)	(29,425)
Additions: Business Combinations	(349)	-	-	-	-	(349)
Charge for the year	(1,023)	(2,944)	(1,956)	(8,630)	-	(14,553)
Foreign currency retranslation	(78)	-	-	-	-	(78)
Disposals	80	-	-	-	-	80
As at 31 December 2016	(5,716)	(13,559)	(2,597)	(13,093)	(9,360)	(44,325)
Net book value						
As at 31 December 2016	1,861	12,016	8,098	9,436	102,095	133,506
As at 31 December 2015	2,077	5,234	4,176	6,934	44,119	62,540

Following the rationalisation of brands in January 2017, management has accelerated amortisation on a number of brand assets held by the Group, totalling £1.0 million. The remaining brand intangible assets relate to the GlobalData and Verdict Research brands which were acquired in 2016 and 2015 respectively. Additions as a result of business combinations in the year have been disclosed in further detail in note 26.

Impairment tests for goodwill and intangible assets

Goodwill and intangibles are allocated to the cash generating unit (CGU) that is expected to benefit from the use of the asset.

The Group tests goodwill at each reporting date for impairment and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverable amount of a CGU is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on five year financial budgets approved by management. Cash flows beyond the five year period are extrapolated using estimated long term growth rates.

The Group operates within a single operating segment, being Business Information. However, in accordance with IAS 36, Impairment of assets, the Group has to consider impairment indicators for goodwill and intangible assets on the value of the cash generating units. The cash generating units identified are Healthcare, Technology and Consumer.

Overall, the Group has significant headroom on its goodwill and intangibles carrying value and the assumptions used in the assessment are of an insensitive nature.

Assumptions

The recoverable amounts of the CGUs are determined from value in use calculations, which are based on the cash flow projections for each CGU. Value in use projections are based on Board approved forecasts, which cover the period 2017 - 2021. A terminal value calculation has been determined post 2022. The key assumptions are set out below:

Increase in revenue (for years 1 to 5)		Increase in costs (for years 1 to 5)		Discount rate		Terminal growth rate	
2016	2015	2016	2015	2016	2015	2016	2015
3.00%	3.00%	2.00%	2.00%	9.48%	11.07%	2.00%	2.00%

The value in use for each CGU is summarised below.

All values in the table are in £ million

	Goodwill	Other Intangible assets	Value-in-use	Headroom
Consumer	26.1	7.6	99.8	66.1
ICT	16.6	3.0	103.3	83.7
Healthcare	59.3	20.8	96.7	16.6
Total	102.0	31.4	299.8	166.4

Management has undertaken sensitivity analysis taking into consideration the impact on key impairment test assumptions arising from a range of possible future trading and economic scenarios on each CGU. The following scenarios would need to occur before impairment is triggered within the Group:

	Revenue Growth Falls To	Discount Rate Rises To
Consumer	(1.0%)	23.6%
ICT	(3.6%)	40.5%
Healthcare	1.7%	11.1%

No indication of impairment was noted from management's review, there is significant headroom in each CGU. The sensitivity analysis supports the substantial headroom and it would require a significant change in the trading environment for an impairment loss to be realised within the Group.

Amortisation

Amortisation for purchased intangible assets is accounted for within the administrative costs category within the income statement. Amortisation for acquired intangible assets is accounted for within other expenses within the income statement.

12. Property, plant and equipment

	Fixtures, fittings & equipment £000s	Motor vehicles £000s	Leasehold Improvements £000s	Total £000s
Cost				
As at 1 January 2015	2,982	15	232	3,229
Additions	468	-	-	468
Foreign currency retranslation	2	-	-	2
Disposals	(5)	-	-	(5)
As at 31 December 2015	3,447	15	232	3,694
Additions: Business Combinations	1,089	-	-	1,089
Additions: Separately Acquired	578	-	-	578
Foreign currency retranslation	49	-	2	51
Disposals	(171)	-	-	(171)
As at 31 December 2016	4,992	15	234	5,241
Depreciation				
As at 1 January 2015	(1,702)	(15)	(2)	(1,719)
Charge for the year	(652)	-	(24)	(676)
Foreign currency retranslation	(2)	-	-	(2)
As at 31 December 2015	(2,356)	(15)	(26)	(2,397)
Additions: Business Combinations	(849)	-	-	(849)
Charge for the year	(699)	-	(26)	(725)
Foreign currency retranslation	(60)	-	(1)	(61)
Disposals	144	-	-	144
As at 31 December 2016	(3,820)	(15)	(53)	(3,888)
Net book value				
As at 31 December 2016	1,172	-	181	1,353
As at 31 December 2015	1,091	-	206	1,297

13. Derivative assets and liabilities

	31 December 2016 £000s	31 December 2015 £000s
Short-term derivative assets	94	-
Short-term derivative liabilities	(1,089)	(201)
Long-term derivative liabilities	-	(24)
Net derivative liability	(995)	(225)

Classification is based on when the derivatives mature. The fair values of derivatives are expected to impact the income statement over the next year, dependant on movements in the fair value of the foreign exchange contracts. The movement in the year was a £770,000 charge to the income statement (2015: charge of £216,000). The large movement was caused by volatility in the foreign exchange market following the UK's decision to leave the European Union on 23 June 2016.

The Group uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. The notional values of contract amounts outstanding are:

	Euro €'000	US Dollar \$'000	Indian Rupee INR'000
Expiring in the year ending: 31 December 2017	5,850	12,050	66,868

14. Inventories

	31 December 2016 £000s	31 December 2015 £000s
Raw materials	-	39
Work in progress	-	38
	-	77

15. Trade and other receivables

	31 December 2016 £000s	31 December 2015 £000s
Trade receivables	34,703	24,045
Prepayments	4,782	2,888
Other receivables and accrued income	3,107	5,156
Related party receivables (note 27)	16	-
	42,608	32,089

The contractual value of trade receivables is £36.4 million (2015: £26.1 million). Their carrying value is assessed to be £34.7 million (2015: £24.0 million) after assessing recoverability. The contractual value and the carrying value of other receivables are considered to be the same.

Amounts owed by related parties are repayable on demand and are non-interest bearing.

The ageing analysis of these trade receivables showing fully performing and past due but not impaired is as follows:

	31 December 2016 £000s	31 December 2015 £000s
Not overdue	26,561	20,273
Not more than 3 months overdue	5,039	1,646
More than 3 months but not more than 1 year	3,103	2,126
	34,703	24,045

The contractual amounts of the Group's trade receivables are denominated in the following currencies:

	31 December 2016 £000s	31 December 2015 £000s
Pounds Sterling	15,344	12,474
US Dollar	17,878	10,557
Euro	2,743	2,548
Australian Dollar	408	518
	36,373	26,097

Movement on the Group's provision for doubtful debts is as follows:

	31 December 2016 £000s	31 December 2015 £000s
Balance brought forward	2,052	2,058
Provision for receivables impairment	912	841
Receivables written off during the year as uncollectable	(1,294)	(847)
Balance carried forward	1,670	2,052

The creation and release of the provision for doubtful debts have been included within revenue in the income statement. Provisions are created and released on a specific customer level on a monthly basis when management assesses for possible impairment.

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at 31 December 2016 is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security. Before accepting any new customer, the Group uses a credit scoring system to assess the potential customer's credit quality. The trade receivables outstanding at year end have acceptable credit scores. There are no customers who represent more than 5% of turnover.

16. Deferred income tax

	31 December 2016 £000s	31 December 2015 £000s
Balance brought forward	(1,176)	457
Created upon acquisition of subsidiary	(4,639)	(2,381)
Credited to profit and loss account (continuing operations)	5,566	1,203
Charged to profit and loss account (discontinued operations)	-	(159)
Deferred tax recognised directly in reserves in relation to share based payments	(202)	(327)
Change in rate	(67)	31
Balance carried forward	(518)	(1,176)

The provision for deferred taxation consists of the tax effect of temporary differences in respect of:

Intangible assets purchased	(4,655)	(3,218)
Excess of tax allowances over depreciation on fixed assets	297	136
Deferred tax on share based payments	1,321	1,904
Trading losses	2,519	2
Balance carried forward	(518)	(1,176)

The gross asset and liability positions have been detailed on the Group's balance sheet, as management believe this provides a clearer representation of the deferred tax position as at 31 December 2016.

	31 December 2016 £000s	31 December 2015 £000s
Deferred tax asset	4,137	2,042
Deferred tax liability	(4,655)	(3,218)
Net position	(518)	(1,176)

As at 31 December 2016, the utilisation of the deferred tax asset relating to tax losses is dependent on future taxable profits of approximately £6.4 million and is subject to compliance with taxation authority requirements. The Group has continued to recognise these deferred tax assets as it is probable that there will be available taxable profits to offset these losses based on current forecasts and recent taxable profits in certain subsidiaries. As at 31 December 2016 the Group has unrecognised potential deferred tax assets of £0.7 million. This consisted of a gross value of £4.2 million of unrecognised losses, which would give a future tax benefit of £0.7 million. These tax losses may be available to be carried forward to offset against future taxable income. However their utilisation is contingent on the relevant subsidiaries producing taxable profits over a significant period of time and is subject to compliance with the relevant taxation authority requirements. As at 31 December 2016 these subsidiaries have not made a taxable profit and there is not convincing other evidence that sufficient taxable profit will be available in the future.

17. Trade and other payables

	31 December 2016	31 December 2015
	£000s	£000s
Trade payables	7,809	5,098
Other taxation and social security	1,599	3,312
Accruals and deferred revenue	55,367	37,646
Related party creditors (note 27)	-	5
	64,775	46,061

18. Borrowings

	31 December 2016	31 December 2015
	£000s	£000s
Current		
Loans due within one year	5,737	5,214
Non-current		
Long-term loans	26,162	30,359

Term loan and RCF

In July 2014, the Group refinanced its debt position. A US\$17 million term loan was issued by The Royal Bank of Scotland to partially fund the acquisition of Current Analysis Inc. This is repayable in quarterly instalments over 4 years, with total repayments due in 2017 being US\$4 million. The outstanding balance as at 31 December 2016 was US\$11 million.

The Group took out an additional term loan of £10 million in August 2015, which is repayable in quarterly instalments over 4 years, with total repayments due in 2017 being £2.5 million. The outstanding balance as at 31 December 2016 was £6.9 million.

Furthermore, the Group also has a revolving capital facility (RCF) with The Royal Bank of Scotland. As at 31 December 2016, the Group had total draw down of £16.4 million against a total facility of £17 million.

Interest is charged on the term loan and drawn down RCF at a rate of 2.25% over the London Interbank Offered Rate. Interest is charged on the undrawn RCF at 0.9%.

Borrowings can be reconciled as follows:

	31 December 2016	31 December 2015
	£000s	£000s
Term loans issued by The Royal Bank of Scotland	15,776	19,552
RCF issued by The Royal Bank of Scotland	16,375	16,408
Capitalised fees, net of amortised amount	(252)	(387)
	31,899	35,573

19. Financial assets and liabilities

The Group is exposed to foreign currency, interest rate, liquidity, credit and equity risks. Each of these risks, the associated financial instruments and the management of those risks are detailed below.

The Group's financial instruments are classified under IFRS as follows:

	Fair value (through profit or loss)	Loans and receivables	Amortised cost	Total
31 December 2016	£000s	£000s	£000s	£000s
<i>Non-current assets</i>				
Related party receivables	-	4,625	-	4,625
	-	4,625	-	4,625
<i>Current assets</i>				
Cash	-	6,447	-	6,447
Short-term derivative assets	94	-	-	94
Trade receivables	-	34,703	-	34,703
Other receivables and accrued income	-	3,107	-	3,107
Related party receivables	-	16	-	16
	94	44,273	-	44,367
<i>Current liabilities</i>				
Short-term borrowings	-	-	(5,737)	(5,737)
Short-term derivative liabilities	(1,089)	-	-	(1,089)
Trade accounts payable	-	-	(7,809)	(7,809)
Accruals	-	-	(9,247)	(9,247)
	(1,089)	-	(22,793)	(23,882)
<i>Non-current liabilities</i>				
Long-term borrowings	-	-	(26,162)	(26,162)
	-	-	(26,162)	(26,162)

	Fair value (through profit or loss)	Loans and receivables	Amortised cost	Total
31 December 2015	£000s	£000s	£000s	£000s
<i>Current assets</i>				
Cash	-	10,117	-	10,117
Trade receivables	-	24,045	-	24,045
Other receivables	-	5,156	-	5,156
Accrued income	-	672	-	672
	-	39,990	-	39,990
<i>Current liabilities</i>				
Short-term borrowings	-	-	(5,214)	(5,214)
Short-term derivative liabilities	(201)	-	-	(201)
Trade accounts payable	-	-	(5,098)	(5,098)
Related party payables	-	-	(5)	(5)
Accruals	-	-	(8,467)	(8,467)
	(201)	-	(18,784)	(18,985)
<i>Non-current liabilities</i>				
Long-term derivative liabilities	(24)	-	-	(24)
Long-term borrowings	-	-	(30,359)	(30,359)
	(24)	-	(30,359)	(30,383)

Maturity analysis

	Less than one month £000s	One to three months £000s	3 months to 1 year £000s	1 to 5 years £000s	Total £000s
<i>Non-current assets</i>					
Related party receivables	-	-	-	4,625	4,625
<i>Current assets</i>					
Cash	6,447	-	-	-	6,447
Short-term derivative assets	11	46	37	-	94
Trade receivables	13,026	17,785	3,458	434	34,703
Other receivables and accrued income	-	3,107	-	-	3,107
Related party receivables	-	16	-	-	16
<i>Current liabilities</i>					
Short-term borrowings	(1,645)	-	(4,933)	-	(6,578)
Short-term derivative liabilities	(75)	(519)	(495)	-	(1,089)
Trade accounts payable	(4,345)	(3,464)	-	-	(7,809)
Accruals	-	(9,247)	-	-	(9,247)
<i>Non-current liabilities</i>					
Long-term borrowings	-	-	-	(27,494)	(27,494)
	13,419	7,724	(1,933)	(22,435)	(3,225)

The long term borrowing's contractual features are detailed in note 18 and it is not expected that those loans will be repaid within a year or until replaced with equivalent debt or equity financing. The debt shown in the table above is inclusive of the projected interest payments in accordance with IFRS 7 (interest on short and long-term borrowings £2,173,000).

Reclassifications

There have been no reclassifications between financial instrument categories during the years ended 31 December 2016 and 31 December 2015.

Fair value of financial instruments

Financial instruments are either carried at amortised cost, less any provision for impairment, or fair value. The fair value of long-term borrowings is the same as the carrying value of long-term borrowings as at 31 December 2016. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December 2016, the only financial instruments measured at fair value were derivative financial liabilities and these are classified as Level 2.

Type of Financial Instrument at Level 2	Measurement technique	Main assumptions	Main inputs used
Derivative assets and liabilities	Present-value method	Determining the present value of financial instruments as the current value of future cash flows, taking into account current market exchange rates	Observable market exchange rates

Cash, trade receivables and trade accounts payable

The carrying amounts of these balances are approximately equivalent to their fair value because of the short term to maturity.

Market risk

The Group is exposed to market risk primarily from changes in foreign currency exchange rates and interest rates.

Currency risk

The Group's primary objective in managing foreign currency risk is to protect against the risk that the eventual Sterling net cash flows will be adversely affected by changes in foreign currency exchange rates. Due to the Group's operations in India, the Group has entered into foreign exchange contracts that limit the risk from movements in the Indian Rupee exchange rate with Sterling. The Group additionally enters into foreign exchange contracts that limit the risk from movements in US Dollars and Euros with Sterling.

The Group's exposure to foreign currencies arising from financial instruments is:

31 December 2016	USD £000s	EUR £000s	Other £000s	Total £000s
Exposures				
Cash	1,272	189	606	2,067
Short and long-term derivative assets/(liabilities)	(871)	(164)	40	(995)
Short and long-term borrowings	(8,902)	-	-	(8,902)
Trade receivables	17,878	2,743	408	21,029
Trade accounts payable	(904)	(126)	(57)	(1,087)
Net balance sheet exposure	8,473	2,642	997	12,112

31 December 2015	USD £000s	EUR £000s	Other £000s	Total £000s
Exposures				
Cash	2,860	684	1,266	4,810
Short and long-term derivative assets/(liabilities)	(239)	(25)	39	(225)
Short and long-term borrowings	(10,204)	-	-	(10,204)
Trade receivables	10,557	2,548	518	13,623
Trade accounts payable	(135)	-	-	(135)
Net balance sheet exposure	2,839	3,207	1,823	7,869

Forecast sales and purchases in foreign currencies have not been included in the table above as they are not financial instruments.

As at 31 December 2016 a movement of 10% in Sterling would impact the income statement as detailed in the table below:

	10% decrease		10% increase	
	2016	2015	2016	2015
	£000s	£000s	£000s	£000s
Impact on Net earnings before income tax:				
USD	941	314	(770)	(259)
EUR	294	356	(240)	(292)
	1,235	670	(1,010)	(551)

This analysis assumes a movement in Sterling across all currencies and only includes the effect of foreign exchange movements on financial instruments. All other variables remain constant.

Interest rate risk

The Group is exposed to interest rate risk on its overdraft and the outstanding loans to The Royal Bank of Scotland. The Group does not manage this risk with the use of derivatives. No other liabilities accrue interest.

The table below shows how a movement in interest rates of 100 basis points would impact the income statement based on the additional interest expense for the year then ended:

	100 basis point decrease		100 basis point increase	
	2016	2015	2016	2015
	£000s	£000s	£000s	£000s
Impact on:				
Net earnings before income tax	319	356	(319)	(356)

This analysis assumes all other variables remain constant.

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its financial liabilities.

The Group's main source of financing for its working capital requirements is free cash flow.

The Group's exposure to liquidity risk arises from trade accounts payable and loans due to the Royal Bank of Scotland. All contractual cash flows from trade accounts payable are the same as the carrying value of the liability due to their short-term nature.

At 31 December 2016, the Group has a revolving credit facility of £16.4 million, a US\$17 million term loan (of which US\$11 million is outstanding as at 31 December 2016) and a £10 million term loan (of which £6.9 million is outstanding as at 31 December 2016) outstanding with the Royal Bank of Scotland. See note 18 for further details.

Credit risk

In the normal course of its business, the Group incurs credit risk from cash and trade and other receivables. The Group has a credit policy that is used to manage this exposure to credit risk, including credit checking prior to contracts being signed. The Group's financial instruments do not have significant concentration of risk with any related parties.

£49.0 million of the Group's assets are subject to credit risk (31 December 2015: £39.3 million). The Group does not hold any collateral over these amounts. See note 15 for further details of the Group's receivables. The Group maintains a provision for estimated losses expected to arise from customers being unable to make required payments. This provision takes into account known commercial factors impacting specific customer accounts, as well as the overall profile of the Group's receivables portfolio. In assessing the provision, factors such as past collection history, the age of receivable balances, the level of activity in customer accounts, as well as general macro-economic trends, are taken into account. Significant changes in these factors would likely necessitate changes in the doubtful debts provision. At present, however, the Group considers the current level of its allowance for doubtful debts to be adequate to cover expected credit losses on trade receivables. Bad debt expenses are reported in the income statement.

Equity risk

It is the Group's policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the development of the business. See note 22 for further details of the Group's equity. The impact of the sensitivity analysis noted in the various risk categories above would impact the income statement for the year.

20. Provisions

The movement in the provisions is as follows:

	Onerous leases £000s	Dilapidations £000s	Other £000s	Total £000s
At 1 January 2015	217	134	101	452
Increase in provision	15	80	2,421	2,516
Utilised	(185)	(44)	(80)	(309)
Release of unutilised provision	(5)	(31)	(20)	(56)
At 31 December 2015	42	139	2,422	2,603
Increase in provision	34	74	20	128
Acquired through business combination	-	152	-	152
Utilised	(32)	(7)	(1,174)	(1,213)
Release of unutilised provision	(10)	(66)	(7)	(83)
At 31 December 2016	34	292	1,261	1,587
<i>Current:</i>	34	69	1,261	1,364
<i>Non-current:</i>	-	223	-	223

Onerous leases

Provision has been made for the net present value of future residual leasehold commitments. This provision has been calculated making assumptions on future rental income, market rents, insurance and rates and this has then been discounted using a discount rate of 2% per annum. This provision is expected to be utilised over the period of each specific lease.

Dilapidations

Provision has been made for the net present value of future dilapidations that are owed due to legal or constructive obligations under the Group's operating leases of office premises. The provision is expected to be utilised over the period to the end of each specific lease.

Other

Other provisions contain a liability of £1.2m for an unfavourable contract acquired as part of Verdict Research Limited in 2015. The contract became onerous as a result of a management restructuring decision made post-acquisition and therefore the loss related to the provision was charged to the income statement in the year ended 31 December 2015.

The remainder of the other provision relates to the Group's obligations to pay commission to registered users of the Group's websites. The closing balance for this liability was £0.1m

21. Operating lease commitments

As at 31 December 2016 the Group had outstanding commitments for future minimum lease payments under non-cancellable leases, which fell due as follows:

	31 December 2016 £000s	31 December 2015 £000s
Land and Buildings		
Within 1 year	3,022	2,187
Within 2 to 5 years	9,579	7,890
Over 5 years	18,753	20,290
	31,354	30,367
Other		
Within 1 year	52	53
Within 2 to 5 years	39	25
	91	78

The Group sub-lets certain areas of its property portfolio. As at 31 December 2016, the Group had contracts with sub-tenants for the following future minimum lease rentals:

	31 December 2016 £000s	31 December 2015 £000s
Land and Buildings		
Within 1 year	230	160
Within 2 to 5 years	783	641
Over 5 years	869	27
	1,882	828

22. Equity

Share capital

Allotted, called up and fully paid:

	31 December 2016		31 December 2015	
	No'000	£000s	No'000	£000s
Ordinary shares at 1 January (1/14 th pence)	76,268	54	76,268	54
Issue of shares: consideration GlobalData	26,078	19	-	-
Share buyback	-	-	-	-
Ordinary shares c/f 31 December (1/14 th pence)	102,346	73	76,268	54
Deferred shares of £1.00 each	100	100	100	100
	102,446	173	76,368	154

GlobalData Holding Limited Acquisition

The Group issued 26,078,431 ordinary shares as consideration for GlobalData Holding Limited and its subsidiaries. These shares rank pari passu with the existing GlobalData Plc ordinary shares in issue.

Share Buyback

As detailed in note 23, during the period the Group purchased an aggregate amount of 270,000 shares at a total market value of £960,000.

Capital management

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern
- To fund future growth and provide an adequate return to shareholders and, when appropriate, distribute dividends

The capital structure of the Group consists of net debt, which includes borrowings (note 18) and cash and cash equivalents, and equity.

The Company has two classes of shares. The ordinary shares carry no right to fixed income and each share carries the right to one vote at general meetings of the Company.

The deferred shares do not confer upon the holders the right to receive any dividend, distribution or other participation in the profits of the Company. The deferred shares do not entitle the holders to receive notice of or to attend and speak or vote at any general meeting of the Company. On distribution of assets on liquidation or otherwise, the surplus assets of the Company remaining after payments of its liabilities shall be applied first in repaying to holders of the deferred shares the nominal amounts and any premiums paid up or credited as paid up on such shares, and second the balance of such assets shall belong to and be distributed among the holders of the ordinary shares in proportion to the nominal amounts paid up on the ordinary shares held by them respectively.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all its issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Board Terms of Reference, copies of which are available on request.

Dividends

The final dividend for 2015 was 2.5p per share and was paid in June 2016. The total dividend for the current year was 6.5 pence per share, with an interim dividend of 2.5 pence per share paid on 9 September 2016 to shareholders on the register at the close of business on 12 August 2016 and a final dividend of 4.0 pence per share to be paid on 12 May 2017 to shareholders on the register at the close of business on 18 April 2017. The ex-dividend date will be on 13 April 2017.

The disclosures above are for both the Group and the Company.

Other reserve

Other reserves consist of a reserve created upon the reverse acquisition of the TMN Group Plc.

Foreign currency translation reserve

The foreign currency translation reserve contains the translation differences that arise upon translating the results of subsidiaries with a functional currency other than Sterling. Such exchange differences are recognised in the income statement in the period in which a foreign operation is disposed of.

Special reserve

The special reserve was created upon the capital reduction which occurred during 2013.

In order to facilitate the payment of dividends, the special reserve, constituted by an undertaking to the Court given in connection with the reduction of the Company's share premium account undertaken in May 2013, has been released in accordance with its terms pursuant to a resolution of the Board dated 23 February 2016 (all relevant creditors having been discharged or otherwise consented to the reduction).

Merger reserve

The merger reserve was created to account for the premium on the shares issued in consideration for the purchase of GlobalData Holding Limited in 2016.

Treasury reserve

The treasury reserve contains shares held in treasury by the Group and in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

23. Share based payments

The Group created a share option scheme during the year ended 31 December 2010 and granted the first options under the scheme on 1 January 2011 to certain senior employees. Each option granted converts to one ordinary share on exercise. A participant may exercise their options (subject to employment conditions) at any time during a prescribed period from the vesting date to the date the option lapses. For these options to be exercised the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed certain targets. The fair values of options granted were determined using the Black-Scholes model. The inputs used in the model were:

- share price at date of grant
- exercise price
- time to maturity
- annual risk-free interest rate and;
- annualised volatility

The following assumptions were used in the valuation:

Award Tranche	Grant Date	Fair Value of Share Price at Grant Date	Exercise Price (Pence)	Estimated Forfeiture rate p.a.	Weighted Average of Remaining Contractual Life
Award 1	1 January 2011	£1.09	0.0714p	15%	3.0
Award 3	1 May 2012	£1.87	0.0714p	15%	3.0
Award 4	7 March 2014	£2.55	0.0714p	15%	3.0
Award 6	22 September 2014	£2.525	0.0714p	0%	3.0
Award 7	9 December 2014	£2.075	0.0714p	15%	3.2
Award 8	31 December 2014	£2.025	0.0714p	15%	3.2
Award 9	21 April 2015	£2.040	0.0714p	15%	3.2
Award 10	28 September 2015	£2.490	0.0714p	15%	4
Award 11	17 March 2016	£2.064	0.0714p	0%	3.0
Award 12	17 March 2016	£2.064	0.0714p	15%	3.3
Award 13	21 October 2016	£4.425	0.0714p	15%	3.3

Awards 2 and 5 have been fully forfeited.

The estimated forfeiture rate assumption is based upon management's expectation of the number of options that will lapse over the vesting period. The assumptions were determined when the scheme was set up in 2011 and are reviewed annually. Management believe the current assumptions to be reasonable based upon the rate of lapsed options.

The risk free interest rate and annualised volatility for awards granted in 2016 were 1.5% and 21% respectively.

Each of the awards are subject to the vesting criteria set by the Remuneration Committee. Following on from the acquisition of the Healthcare and Consumer businesses, the targets were revised by the Remuneration Committee to take into account the transformed business.

	Group Achieves £10m EBITDA	Vesting Criteria Group Achieves £26.7m EBITDA	Group Achieves £35m EBITDA
Award 1-4	20% Vest	40% Vest	40% Vest
Award 6	N/a	50% Vest	50% Vest
Award 7	N/a	40% Vest	60% Vest
Award 8	N/a	50% Vest	50% Vest
Award 9	N/a	40% Vest	60% Vest
Award 10	N/a	N/a	100% Vest
Award 12	N/a	35% Vest	65% Vest
Award 13	N/a	35% Vest	65% Vest

Award 11 relates to options awarded to Executive Chairman, Bernard Cragg during 2016. The options will vest on 31 January 2019 and 31 January 2021 in equal tranches.

The total charge recognised for the scheme during the twelve months to 31 December 2016 was £2,764,000 (2015: £2,066,000). The awards of the scheme are settled with ordinary shares of the Company. During the period the Group purchased an aggregate amount of 270,000 shares at a total market value of £960,000. The purchased shares will be held in treasury and in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

Reconciliation of movement in the number of options is provided below.

	Option price (pence)	Number of options
31 December 2015	1/14th	7,557,840
Granted	1/14th	4,802,903
Forfeited	1/14th	(2,910,560)
31 December 2016	1/14th	9,450,183

The following table summarises the Group's share options outstanding at 31 December 2016:

Reporting date	Options outstanding	Option price (pence)	Remaining life (years)
31 December 2011	5,004,300	1/14th	3.7
31 December 2012	4,931,150	1/14th	4.3
31 December 2013	4,775,050	1/14th	3.3
31 December 2014	8,358,880	1/14th	2.5
31 December 2015	7,557,840	1/14th	2.5
31 December 2016	9,450,183	1/14th	3.2

24. Capital commitments

There were no capital commitments at 31 December 2016 (2015: £nil).

25. Disposal and discontinued operations

As the business becomes more focused on its business information offering, a number of legacy non-core business units have been discontinued in recent years.

On 19 January the group disposed of some of its non-core B2B print businesses to a related party. The disposal was for consideration of £1, together with a guaranteed loan of £4.5 million from the related party acquirers. The loan is discussed in more detail in note 27.

	Carrying Value £000s
Current assets consisting of:	
Inventories	76
Trade and other receivables	6,292
Other receivables	278
Cash and cash equivalents	500
Total current assets	7,146
Current liabilities consisting of:	
Trade payables	(270)
Deferred income	(1,068)
Accruals	(695)
Total current liabilities	(2,033)
Net assets disposed of	5,113

The loss on disposal was calculated as follows:

	Fair Value £000s
Fair value of consideration	4,500
Less net assets disposed of	(5,113)
Loss on disposal	(613)

The loss on disposal has been included within administrative expenses within discontinued operations.

a) The results of the discontinued operations are as follows;

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Discontinued operations		
Revenue	8	10,145
Cost of sales	(73)	(10,013)
Gross (loss)/ profit	(65)	132
Administrative costs	(652)	(8,925)
Loss before tax from discontinued operations	(717)	(8,793)
Income tax credit	-	801
Loss for the year from discontinued operations	(717)	(7,992)

b) Loss before tax

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
This is arrived at after charging:		
Amortisation	-	409
Impairment	-	6,225

c) Cash flows from discontinued operations

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Cash outflows from operating activities	(604)	(1,624)
Total cash outflows from discontinued operations	(604)	(1,624)

26. Acquisitions

GlobalData Holding Limited

On 6 January 2016 the Group acquired 100% of the share capital of GlobalData Holding Limited. The transaction was effected by a share for share exchange, in which GlobalData Plc issued 26,078,431 ordinary shares to the shareholders of GlobalData Holding Limited. Based on the Closing Price of 255 pence on 6 January 2016 (being the date of change of control), the acquisition value was £66.5 million.

The acquisition of GlobalData Holding Limited and its Healthcare business is a further enhancement to our business information proposition.

The amounts recognised for each class of assets and liabilities at the acquisition date were as follows:

	Carrying Value £000s	Fair Value Adjustments £000s	Fair Value £000s
Intangible assets consisting of:			
Brand	-	5,697	5,697
Customer relationships	-	9,552	9,552
Intellectual Property and Content	-	10,522	10,522
Net assets acquired consisting of:			
Tangible and intangible fixed assets	316	-	316
Cash	(614)	-	(614)
Trade receivables	2,416	(21)	2,395
Other receivables	1,126	(830)	296
Trade and other payables	(585)	-	(585)
Accruals and deferred revenue	(12,354)	(5)	(12,359)
Deferred tax	-	(4,639)	(4,639)
Fair value of net assets acquired	(9,695)	20,276	10,581

	Fair Value £000s
Consideration in shares	66,500
Less net assets acquired	(10,581)
Stamp duty paid on shares	312
Goodwill	56,231

In 2015 the acquired businesses had revenues of £19.1 million and profits before tax of £1.4 million. The business has generated revenues of £25.1 million and Adjusted EBITDA of £6.0 million in the year ended 31 December 2016.

The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and expertise.

The Group incurred legal and professional costs of £0.8m in relation to the acquisition, which were recognised in other expenses.

Pharmsource

On 11 November 2016, the Group acquired the trade and assets of Pharmsource, a provider of market intelligence, data and analysis for the global contract bio/pharmaceutical industry.

The goodwill recognised in relation to the acquisition is as follows:

	£000s
Consideration	1,952
Add carrying value of net liabilities acquired	605
Less fair value of intangible assets consisting of:	
Brand	(181)
Customer relationships	(173)
Database	(610)
Goodwill	1,593

In line with the provisions of IFRS 3, further fair value adjustments may be required within the 12 month period from the date of acquisition. Any fair value adjustments will result in an adjustment to the goodwill balance reported above.

In 2015 the acquired business had revenues of US\$1.5 million and loss before tax of US\$0.1 million. The business has generated revenues of £0.2 million and Adjusted EBITDA of £0.0 million in the period from acquisition to 31 December 2016. If the acquisition had occurred on 1 January 2016, the Group year to date revenue for 2016 would have been £101.0 million and the Group loss before tax from continuing operations would have been £2.4 million.

The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and expertise.

The Group incurred legal and professional costs of £0.04m in relation to the acquisition, which were recognised in other expenses.

Cash Cost of Acquisitions

The cash cost of acquisitions, which reconciles to the cash flow statement, is reconciled as follows:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Acquisition of GlobalData Holding:		
Stamp duty paid on shares	(312)	-
Cash acquired as part of opening balance sheet	(614)	-
Acquisition of Pharmsource	(1,952)	-
Acquisition of Verdict Research Limited	-	(20,679)
	(2,878)	(20,679)

27. Related party transactions

Mike Danson, GlobalData Plc's Chief Executive, owns 69.7% of the Company's ordinary shares as at 24 February 2017. Mike Danson owns a number of businesses that interact with GlobalData Plc. The principal transactions, which are all conducted on an arm's length basis, are as follows:

Accommodation

GlobalData Plc occupies buildings which are owned by Estel Property Investments Limited, a company wholly owned by Mike Danson. The total rental expense, including service and management fees, in relation to the buildings owned by Estel Property Investments for the year ended 31 December 2016 was £2,061,500 (2015: £2,083,700).

Corporate support services

Corporate support services are provided to and from other companies owned by Mike Danson, principally finance, human resources, IT and facilities management. These are recharged to companies that consume these services based on specific drivers of costs, such as proportional occupancy of buildings for facilities management, headcount for human resources services, revenue or gross profit for finance services and headcount for IT services. The net recharge made from GlobalData Plc to these companies for the year ended 31 December 2016 was £922,900 (2015: £1,346,000).

Acquisition of GlobalData Holding Limited and disposal of B2B print business

On 6 January 2016, the Group acquired GlobalData Holding Limited (a related party by nature of ownership). Also in January 2016, the Group agreed to sell some of its non-core B2B print businesses, also to a related party. Further information on the acquisition can be found in note 26, with details of the disposal in note 25.

Loan to Progressive Trade Media Limited

As part of the disposal of the non-core B2B print businesses, the Group agreed to issue a loan to Progressive Trade Media Limited to fund the purchase consideration. This loan is for £4.5m and repayable in 5 instalments, with the first instalment due in January 2018. Interest of 2.25% above LIBOR is charged on the loan, with £125,000 charged in the year ended 31 December 2016.

Directors and Key Management Personnel

The remuneration of Directors is discussed within the Directors' Remuneration Report on pages 22 and 23. Remuneration of key management personnel is detailed in note 7.

Amounts outstanding

The Group has taken advantage of the exemptions contained within IAS 24 - Related Party Disclosures from the requirement to disclose transactions between Group companies as these have been eliminated on consolidation. The amounts outstanding for other related parties were:

Amounts due in greater than one year:

	31 December 2016	31 December 2015
	£000s	£000s
Progressive Trade Media Limited	4,625	-
	4,625	-

Amounts due within one year:

	31 December 2016	31 December 2015
	£000s	£000s
GlobalData Limited	-	26
GlobalData Publications Inc	-	(2)
Estel Property Group Limited	(617)	(618)
Progressive Media Venture Limited	-	589
World Market Intelligence Limited	557	-
Progressive Trade Media Limited	(75)	-
Attentio Research Limited	137	-
Progressive Media International Limited	14	-
	16	(5)

The parent company's balances with related parties are disclosed on page 84 of the annual report. The Group has right of set off over these amounts.

GlobalData Limited and GlobalData Publications Inc were acquired as part of the acquisition of GlobalData Holding Limited and balances are therefore now eliminated on consolidation.

Subsidiary undertakings

Subsidiary undertaking	Country of registration	Holding	%	Principal activity
TMN Media Limited	England & Wales	Ordinary shares	100%	Non-trading
MutualPoints Limited	England & Wales	Ordinary shares	100%	Online direct marketing
Electronic Direct Response Limited	England & Wales	Ordinary shares	100%	Non trading
Kable Business Intelligence Limited	England & Wales	Ordinary shares	100%	Business Information
ICD Research Limited	England & Wales	Ordinary shares	100%	Non-trading
Internet Business Group Limited	England & Wales	Ordinary shares	100%	Performance advertising
Progressive Media Group Limited*	England & Wales	Ordinary shares	100%	Business Information
Dewberry Redpoint Limited*	England & Wales	Ordinary shares	100%	Business Information
Progressive Digital Media (Holdings) Limited	England & Wales	Ordinary shares	100%	Holding company
Progressive Capital Limited*	England & Wales	Ordinary shares	100%	Holding company
SPG Media Group Limited*	England & Wales	Ordinary shares	100%	Holding company
SPG Media Limited*	England & Wales	Ordinary shares	100%	Non-trading
Progressive Digital Media Pty Ltd	Australia	Ordinary shares	100%	Business Information
Progressive Digital Media Inc	United States of America	Ordinary shares	100%	Business Information
Progressive Digital Media Pvt Ltd	India	Ordinary shares	100%	Business Information
ERC Group Limited	England & Wales	Ordinary shares	100%	Business Information
Progressive Digital Media Holdings, Inc	United States of America	Ordinary shares	100%	Holding company
Current Analysis, Inc*	United States of America	Ordinary shares	100%	Business Information
Current Intelligence and Analysis Ltd*	England & Wales	Ordinary shares	100%	Business Information
Current Analysis SAS*	France	Ordinary shares	100%	Business Information
Current Analysis Asia Pacific Pty. Ltd*	Singapore	Ordinary shares	100%	Business Information
Cornhill Publications Limited*	England & Wales	Ordinary shares	100%	Non-trading
Canadean Limited	England & Wales	Ordinary shares	100%	Business Information
Kable Intelligence Limited*	England & Wales	Ordinary shares	100%	Business Information
Canadean Mexico Y Centro America, F. De R.L. De C.V.*	Mexico	Ordinary shares	100%	Business Information
Progressive Digital Media Limited (formerly Verdict Research Limited)	England & Wales	Ordinary shares	100%	Business Information
GlobalData Holding Limited	England & Wales	Ordinary shares	100%	Holding company
GlobalData Limited*	England & Wales	Ordinary shares	100%	Business Information
GlobalData Publications, Inc*	United States of America	Ordinary shares	100%	Business Information
GlobalData Pte Limited*	Singapore	Ordinary shares	100%	Business Information
GlobalData Australia Pty Limited*	Australia	Ordinary shares	100%	Business Information
GlobalData Canada Limited*	Canada	Ordinary shares	100%	Business Information
JBAD Limited*	England & Wales	Ordinary shares	100%	Business Information
GlobalData Research Centre Private Limited*	India	Ordinary shares	100%	Business Information
Canadean Brasil Consultoria E Pesquisas De Mercado Ltda*	Brazil	Ordinary shares	100%	Business Information

*indirectly held

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBALDATA PLC

We have audited the parent company financial statements of GlobalData plc for the year ended 31 December 2016 which comprise the company statement of financial position, the company statement of cash flows, the company statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' responsibilities, set out on page 24, the directors are responsible for the preparation of the parent company 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 parent company financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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 parent company financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

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

Other matters

We have reported separately on the group financial statements of GlobalData Plc for the year ended 31 December 2016.

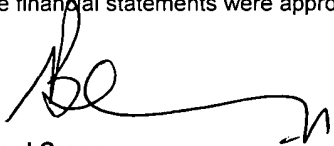
Nicholas Page

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
24 February 2017

Company Statement of Financial Position

	Notes	31 December 2016 £000s	31 December 2015 £000s
Non-current assets			
Property, plant and equipment	5	1,048	1,126
Intangible assets	4	1,542	1,625
Investments	6	164,119	94,541
		166,709	97,292
Current assets			
Trade and other receivables	7	22,283	13,009
Short-term derivative assets	8	54	-
Current tax receivable		-	1,810
Cash and cash equivalents		2,131	14,524
		24,468	29,343
Total assets		191,177	126,635
Current liabilities			
Trade and other payables	9	(41,459)	(31,869)
Short-term derivative liabilities	8	(1,089)	(240)
Short-term borrowings	11	(5,737)	(5,214)
		(48,285)	(37,323)
Non-current liabilities			
Long-term provisions	10	(108)	(58)
Long-term derivative liabilities	8	-	(25)
Long-term borrowings	11	(26,162)	(30,359)
		(26,270)	(30,442)
Total liabilities		(74,555)	(67,765)
Net assets		116,622	58,870
Equity			
Share capital		173	154
Share premium account		200	200
Treasury reserve		(960)	-
Other reserve		7,174	7,174
Merger reserve		66,481	-
Special reserve		-	48,422
Retained earnings		43,554	2,920
Equity attributable to equity holders		116,622	58,870

These financial statements were approved by the board of directors on 24 February 2017 and signed on its behalf by:


Bernard Cragg
 Executive Chairman


Mike Danson
 Chief Executive

The accompanying notes form an integral part of this financial report.

Company loss for the year: £5,439,000 (2015: loss of £4,389,000)
 Company number: 03925319

Company Statement of Changes in Equity

	Share capital £000s	Share premium account £000s	Treasury reserve £000s	Other reserve £000s	Merger reserve £000s	Special reserve £000s	Retained earnings £000s	Total equity £000s
Balance at 1 January 2015	154	200	-	7,174	-	48,422	5,243	61,193
Loss for the year	-	-	-	-	-	-	(4,389)	(4,389)
Transactions with owners:								
Share based payments charge	-	-	-	-	-	-	2,066	2,066
Balance at 31 December 2015	154	200	-	7,174	-	48,422	2,920	58,870
Loss for the year	-	-	-	-	-	-	(5,439)	(5,439)
Transactions with owners:								
Shares issued for GlobalData acquisition	19	-	-	-	66,481	-	-	66,500
Dividends	-	-	-	-	-	-	(5,113)	(5,113)
Share buyback	-	-	(960)	-	-	-	-	(960)
Special reserve transfer	-	-	-	-	-	(48,422)	48,422	-
Share based payments charge	-	-	-	-	-	-	2,764	2,764
Balance at 31 December 2016	173	200	(960)	7,174	66,481	-	43,554	116,622

The accompanying notes form an integral part of this financial report.

Company Statement of Cash Flows

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Cash flows from operating activities		
Loss after taxation	(5,439)	(4,389)
Adjustments for:		
Depreciation	549	489
Amortisation	741	440
Finance expense	1,095	854
Revaluation of foreign currency loan	1,603	569
Movement in provision	49	(1)
Revaluation of derivatives	770	256
(Increase)/ decrease in trade and other receivables	(981)	1,427
(Decrease)/ increase in trade and other payables	(3,774)	3,310
Cash (used in)/ generated by operations	(5,387)	2,955
Interest paid	(1,014)	(775)
Income taxes paid	-	(1,810)
Net cash (used in)/ from operating activities	(6,401)	370
Cash flows from investing activities		
Purchase of property, plant and equipment	(471)	(395)
Purchase of intangible assets	(658)	(1,056)
Acquisition of Verdict Research Limited	-	(25,087)
Acquisition of GlobalData Holding	(314)	-
Net cash used in investing activities	(1,443)	(26,538)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	20,000
Repayment of short-term borrowings	(5,378)	(1,920)
Share Buyback	(960)	-
Dividends paid	(5,113)	-
Net inflow from inter-company loans	6,902	14,036
Net cash (used in)/ from financing activities	(4,549)	32,116
Net (decrease)/ increase in cash and cash equivalents	(12,393)	5,948
Cash and cash equivalents at beginning of year	14,524	8,576
Cash and cash equivalents at end of year	2,131	14,524

The accompanying notes form an integral part of this financial report.

Notes to the Company Financial Statements

1. General information

Nature of operations

The principal activity of GlobalData Plc is as a holding company of subsidiary entities which are engaged in enabling organisations in the Consumer, ICT and Healthcare markets to gain competitive advantage by providing unique, high quality business information and services across multiple platforms.

GlobalData Plc ('the Company') is a company incorporated in the United Kingdom and listed on the Alternative Investment Market. The registered office of the Company is John Carpenter House, John Carpenter Street, London, EC4Y 0AN. The registered number of the Company is 03925319.

Going concern

The Company meets its day-to-day working capital requirements through free cash flow. Based on cash flow projections the Company considers the existing financing facilities to be adequate to meet short-term commitments.

The existing finance facilities were issued with debt covenants which are measured on a quarterly basis. Management have reviewed forecasted cash flows and there is no indication that there will be any breach in the next 12 months.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. Accordingly, the Company has prepared the annual report and financial statements on a going concern basis.

Critical accounting estimates and judgements

The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may deviate from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to carrying value of investments and provisions for share based payments.

Carrying value of investments

The carrying value of investments is assessed at least annually to ensure that there is no need for impairment. Performing this assessment requires management to estimate future cash flows to be generated by the related investment, which may entail making judgements including the expected rate of growth of sales, margins expected to be achieved, the level of future capital expenditure required to support these outcomes and the appropriate discount rate to apply when valuing future cash flows.

Share based payments

The Group operates a share based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense in the Group income statement. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options and awards that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Group income statement, with a corresponding adjustment to the share based payments reserve within equity. The significant judgements involved in calculating the share based payments charge are the fair value at the date of grant which is determined by using the Black-Scholes model, the senior management retention rate which is determined with reference to historical churn and the estimated vesting periods which are determined with reference to the Group's forecasts.

The Company does not directly employ those participating in the share based payments scheme as they are employed by other Group companies. The issue of share incentives by the Company to employees of its subsidiaries represents additional capital contributions. An addition to the Company's investment in Group undertakings is reported with a corresponding increase in shareholders' funds.

2. Accounting policies

a) Basis of preparation

The parent company financial statements have been prepared in accordance with applicable IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006.

As permitted by section 408 of the Companies Act 2006, the income statement of the Company is not presented. The Company's loss for the year ended 31 December 2016 is £5.4 million (year ended 31 December 2015: loss £4.4 million).

b) Change to accounting policies

This report has been prepared based on the accounting policies detailed in the Group's financial statements for the year ended 31 December 2016 and is consistent with the policies applied in the previous year.

c) Property, plant and equipment

Property, plant and equipment is stated at historic cost, including expenditure that is directly attributable to the acquired item, less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight line basis over the deemed useful life of an asset and is applied to the cost less any residual value. The asset classes are depreciated over the following periods:

- Computer and equipment – over 3 to 5 years
- Leasehold improvements – over 3 to 10 years

The useful life, the residual value and the depreciation method is assessed annually.

Where there is an indication of impairment, the carrying value of the property, plant and equipment is compared to the higher of value in use and the fair value less costs to sell. If the carrying value exceeds the higher of the value in use and fair value less the costs to sell then the asset is impaired and an impairment loss recognised in profit or loss.

d) Intangible assets

Computer software

Non-integral computer software purchases are capitalised at cost as intangible assets. The Company also capitalises development costs associated with new products in accordance with the development criteria prescribed within IAS 38 "Intangible Assets". These costs are amortised over their estimated useful lives of 3 years. Costs associated with implementing or maintaining computer software programmes are recognised as an expense.

e) Investments

Investments in subsidiaries are stated at cost less any provision for impairment.

f) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using rates substantively enacted at the reporting date, and any adjustments to the tax payable in respect of previous years.

Deferred taxation is provided in full on temporary differences between the carrying amount of the assets and liabilities in the financial statements and the tax base. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax is determined using the tax rates that have been enacted or substantially enacted by the reporting date, and are expected to apply when the deferred tax liability is settled or the deferred tax asset is realised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Tax is recognised in the income statement, except where it relates to items recognised as other comprehensive income, in which case it is recognised in the statement of other comprehensive income.

Tax relating to items recognised in equity is recognised directly in equity.

g) Foreign currencies

The results are presented in Pounds Sterling (£) which is the functional currency of the Company.

Foreign currency transactions are translated into Sterling at the rates of exchange ruling at the date of the transaction, and if still in existence at the year end the balance is retranslated at the rates of exchange ruling at the reporting date. Differences arising from changes in exchange rates during the year are taken to the income statement.

h) Provisions

A provision is recognised in the balance sheet when the Company has a legal obligation or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle that obligation, and a reliable estimate of the amount can be made. Provisions are discounted if the time value of money is material.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

j) Dividends

Dividends on the Company's ordinary shares are recognised as a liability in the Company's financial statements, and as a deduction from equity, in the period in which the dividends are declared. Where such dividends are proposed subject to the approval of the Company's shareholders, the dividends are only declared once shareholder approval has been obtained.

k) Financial instruments

The Group has derivative and non-derivative financial instruments which comprise foreign currency contracts, investments in equity, receivables, cash, loans and borrowings, and trade payables.

Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised if the contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. Financial liabilities are de-recognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Derivative financial instruments

The Company uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. Derivatives are measured at fair values and any movement in fair value is recognised in the income statement.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

l) Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months from the reporting date.

Borrowing costs, being interest and other costs incurred in connection with the servicing of borrowings, are recognised as an expense when incurred.

m) Share based payments

The Group operates a share based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense in the Group income statement. The total amount to be expensed is determined by reference to the fair value of the options granted (fair value at the date of grant determined using the Black-Scholes model), excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options and awards that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Group income statement, with a corresponding adjustment to the share based payments reserve within equity.

The Company does not directly employ those participating in the share based payments scheme as they are employed by other Group companies. The issue of share incentives by the Company to employees of its subsidiaries represents additional capital contributions. An addition to the Company's investment in Group undertakings is reported with a corresponding increase in shareholders' funds.

3. Dividends

The final dividend for 2015 was 2.5p per share and was paid in June 2016. The total dividend for the current year was 6.5 pence per share, with an interim dividend of 2.5 pence per share paid on 9th September 2016 to shareholders on the register at the close of business on 12th August 2016 and a final dividend of 4.0 pence per share to be paid on 12 May 2017 to shareholders on the register at the close of business on 18 April 2017. The ex-dividend date will be on 13 April 2017.

4. Intangible assets

	Computer software £000s
Cost	
As at 1 January 2015	1,968
Additions	1,056
As at 31 December 2015	3,024
Additions	658
As at 31 December 2016	3,682
Amortisation	
As at 1 January 2015	(959)
Charge for the year	(440)
As at 31 December 2015	(1,399)
Charge for the year	(741)
As at 31 December 2016	(2,140)
Net book value	
As at 31 December 2016	1,542
As at 31 December 2015	1,625

5. Property, plant and equipment

	Leasehold improvements £000s	Computer equipment £000s	Total £000s
Cost			
As at 1 January 2015	225	2,025	2,250
Additions	-	395	395
As at 31 December 2015	225	2,420	2,645
Additions	-	471	471
As at 31 December 2016	225	2,891	3,116
Depreciation			
As at 1 January 2015	-	(1,030)	(1,030)
Charge for the year	(22)	(467)	(489)
As at 31 December 2015	(22)	(1,497)	(1,519)
Charge for the year	(22)	(527)	(549)
As at 31 December 2016	(44)	(2,024)	(2,068)
Net book value			
As at 31 December 2016	181	867	1,048
As at 31 December 2015	203	923	1,126

6. Investments

	Group undertakings £000s
Cost	
As at 1 January 2015	77,665
Share based payments to employees of subsidiaries	2,066
Acquisition of Verdict Research Limited	25,087
As at 31 December 2015	104,818
Share based payments to employees of subsidiaries	2,764
Acquisition of GlobalData Holding	66,814
As at 31 December 2016	174,396
Impairment	
As at 31 December 2015 and 2016	(10,277)
Net book value	
As at 31 December 2016	164,119
As at 31 December 2015	94,541

Share based payments to employees of subsidiaries

The issue of share incentives by the Company to employees of its subsidiaries represents additional capital contributions. An addition to the Company's investment in Group undertakings is reported with a corresponding increase in shareholders' funds.

Impairment indicators

Management have performed an assessment to identify whether there are any indicators of impairment to the investment balances. Sufficient evidence has been obtained to support that there is no indication of impairment.

7. Trade and other receivables

	31 December 2016 £000s	31 December 2015 £000s
Prepayments	2,014	1,541
Other receivables	211	74
Amounts owed by group undertakings	19,571	11,278
Amounts owed by related parties	145	86
Other taxation and social security	342	30
	22,283	13,009

The carrying values are considered to be a reasonable approximation of fair value.

8. Derivative assets and liabilities

	31 December 2016 £000s	31 December 2015 £000s
Short-term derivative assets	54	-
Short-term derivative liabilities	(1,089)	(240)
Long-term derivative liabilities	-	(25)
Net derivative liability	(1,035)	(265)

Classification is based on when the derivatives mature. The fair values of derivatives are expected to impact the income statement over the next year, dependant on movements in the fair value of the foreign exchange contracts. The movement in the year was £770,000 (2015: £256,000).

The Group uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates. The notional values of contract amounts outstanding are:

	Euro €'000	US Dollar \$'000
Expiring in the year ending: 31 December 2017	5,850	12,050

9. Trade and other payables

	31 December 2016 £000s	31 December 2015 £000s
Trade payables	526	412
Other payables	14	1
Accruals	655	3,980
Amounts owed to group undertakings	38,742	25,360
Amounts owed to related parties	1,522	2,116
	41,459	31,869

The directors consider the carrying amount of trade payables approximates to their fair value. The effect of discounting trade and other payables has been assessed and is deemed to be immaterial to the Company's results.

10. Provisions

	Dilapidations £000s
At 1 January 2016	58
Increase in provision	25
Transfer from group undertaking	28
Release of unutilised provision	(3)
At 31 December 2016	108
<i>Current:</i>	-
<i>Non-current:</i>	108

11. Borrowings

	31 December 2016 £000s	31 December 2015 £000s
Current		
Loans due within one year	5,737	5,214
Non-current		
Long-term loans	26,162	30,359

Term loan and RCF

In July 2014, the Group refinanced its debt position. A US\$17 million term loan was issued by The Royal Bank of Scotland to partially fund the acquisition of Current Analysis Inc. This is repayable in quarterly instalments over 4 years, with total repayments due in 2017 being US\$4 million. The outstanding balance as at 31 December 2016 was US\$11 million.

The Group took out an additional term loan of £10 million in August 2015, which is repayable in quarterly instalments over 4 years, with total repayments due in 2017 being £2.5 million. The outstanding balance as at 31 December 2016 was £6.9 million.

Furthermore, the Group also has a revolving capital facility (RCF) with The Royal Bank of Scotland. As at 31 December 2016, the Group had total draw down of £16.4 million against a total facility of £17 million.

Interest is charged on the term loan and drawn down RCF at a rate of 2.25% over the London Interbank Offered Rate. Interest is charged on the undrawn RCF at 0.9%.

12. Financial assets and liabilities

The Company's financial instruments are classified under IFRS as follows:

	Fair Value (through profit or loss) £000s	Loans and receivables £000s	Amortised cost £000s	Total £000s
31 December 2016				
<i>Current assets</i>				
Cash	-	2,131	-	2,131
Short-term derivative assets	54	-	-	54
Other receivables	-	211	-	211
Amounts owed by group undertakings	-	19,571	-	19,571
Amounts owed by related parties	-	145	-	145
	54	22,058	-	22,112
<i>Current liabilities</i>				
Short-term derivative liabilities	(1,089)	-	-	(1,089)
Trade accounts payable	-	-	(526)	(526)
Other payables	-	-	(14)	(14)
Accruals	-	-	(655)	(655)
Amounts owed to group undertakings	-	-	(38,742)	(38,742)
Amounts owed to related parties	-	-	(1,522)	(1,522)
Short-term borrowings	-	-	(5,737)	(5,737)
	(1,089)	-	(47,196)	(48,285)
<i>Non-current liabilities</i>				
Long-term borrowings	-	-	(26,162)	(26,162)
	-	-	(26,162)	(26,162)
	Fair Value (through profit or loss) £000s	Loans and receivables £000s	Amortised cost £000s	Total £000s
31 December 2015				
<i>Current assets</i>				
Cash	-	14,524	-	14,524
Other receivables	-	74	-	74
Amounts owed by group undertakings	-	11,278	-	11,278
Amounts owed by related parties	-	86	-	86
	-	25,962	-	25,962
<i>Current liabilities</i>				
Short-term derivative liabilities	(240)	-	-	(240)
Trade accounts payable	-	-	(412)	(412)
Other payables	-	-	(1)	(1)
Accruals	-	-	(3,980)	(3,980)
Amounts owed to group undertakings	-	-	(25,360)	(25,360)
Amounts owed to related parties	-	-	(2,116)	(2,116)
Short-term borrowings	-	-	(5,214)	(5,214)
	(240)	-	(37,083)	(37,323)
<i>Non-current liabilities</i>				
Long-term derivative liabilities	(25)	-	-	(25)
Long-term borrowings	-	-	(30,359)	(30,359)
	(25)	-	(30,359)	(30,384)

Maturity analysis

	Less than one month £000s	One to three months £000s	3 months to 1 year £000s	1 to 5 years £000s	Total £000s
<i>Current assets</i>					
Cash	2,131	-	-	-	2,131
Short-term derivative assets	-	21	33	-	54
Other receivables	-	211	-	-	211
Amounts owed by group undertakings	-	-	-	19,571	19,571
Amounts owed by related parties	-	145	-	-	145
<i>Current liabilities</i>					
Short-term derivative liabilities	(75)	(519)	(495)	-	(1,089)
Trade accounts payable	-	(526)	-	-	(526)
Other payables	-	(14)	-	-	(14)
Accruals	-	(655)	-	-	(655)
Amount owed to group undertakings	-	-	-	(38,742)	(38,742)
Amounts owed to related parties	-	-	(1,522)	-	(1,522)
Short-term borrowings	(1,645)	-	(4,933)	-	(6,578)
<i>Non-current liabilities</i>					
Long-term borrowings	-	-	-	(27,494)	(27,494)
	411	(1,337)	(6,917)	(46,665)	(54,508)

The long-term borrowing's contractual features are detailed in note 18 of the Group accounts and it is not expected that those loans will be repaid within a year or until replaced with equivalent debt or equity financing. The debt shown in the table above is inclusive of the projected interest payments in accordance with IFRS 7 (interest on short and long-term borrowings £2,173,000).

Reclassifications

There have been no reclassifications between financial instrument categories during the year ended 31 December 2016 and year ended 31 December 2015.

Please refer to note 19 of the Group accounts on financial assets and liabilities for the Group's exposure to risk.

Credit risk

In the normal course of its business, the Company incurs credit risk from cash and other receivables. The Group has a credit policy that is used to manage this exposure to credit risk, including credit checking prior to contracts being signed.

£22.1 million of the Company's assets are subject to credit risk (31 December 2015: £26.0 million). The Company does not hold any collateral over these amounts. Note 7 of the Company accounts give further details of the Company's receivables, which are mainly amounts receivable from Group undertakings.

13. Related party transactions

Directors

The remuneration of the Directors of the Group and Company is set out on page 23 in the consolidated accounts of the Group within the Directors Remuneration Report.

Corporate support services

Corporate support services are provided to and from other companies owned by Mike Danson, principally finance, human resources, IT and facilities management. These are recharged to companies that consume these services based on specific drivers of costs, such as proportional occupancy of buildings for facilities management, headcount for human resources services, revenue or gross profit for finance services and headcount for IT services. The net recharge made from GlobalData Plc to these companies for the year ended 31 December 2016 was £922,900 (2015: £1,346,000).

Acquisition of GlobalData Holding Limited and disposal of B2B print business

On 6th January 2016, the Group acquired GlobalData Holding Limited (a related party). Also in January 2016, the Group agreed to sell some of its non-core B2B print businesses also to a related party. Further information on the acquisition can be found in note 26, with details of the disposal in note 25.

Amounts outstanding to and from group undertakings

The amounts outstanding group undertakings were:

	31 December 2016 £000s	31 December 2015 £000s
<i>Amounts owed by group undertakings:</i>		
Progressive Capital Limited	9,989	-
GlobalData Publications Inc	18	-
Kable Business Intelligence Limited	-	7,581
GlobalData Limited	1,376	-
Progressive Digital Media (Holdings) Limited	4,259	1,526
Current Analysis Inc	25	1,075
Current Intelligence & Analysis Limited	2,328	1,071
Dewberry Redpoint Limited	182	-
MutualPoints Limited	646	-
Progressive Digital Media Pty Limited	748	25
	19,571	11,278
<i>Amounts owed to group undertakings:</i>		
Internet Business Group Limited	(1,973)	(1,617)
Progressive Media Group Limited	(22,810)	(13,918)
ERC Group Limited	(571)	(3)
Kable Intelligence Limited	(24)	-
Kable Business Intelligence Limited	(242)	-
Cornhill Publications Limited	(2,263)	-
Progressive Digital Media Limited	(7,059)	-
Dewberry Redpoint Limited	-	(1,677)
TMN Media Limited	(466)	(5,999)
Electronic Direct Response Limited	(847)	(672)
MutualPoints Limited	-	(717)
Progressive Digital Media Inc	(1,381)	(64)
Progressive Digital Media Pvt Limited	(1,106)	(693)
	(38,742)	(25,360)

Amounts outstanding to and from related parties

The amounts outstanding for related parties were:

	31 December 2016 £000s	31 December 2015 £000s
<i>Amounts owed by related parties:</i>		
Progressive Media International Limited	86	86
Estel Properties Investments Limited	40	-
Progressive Trade Media Limited	19	-
	145	86
<i>Amounts owed to related parties:</i>		
World Market Intelligence Limited	(1,483)	(1,628)
Attentio Research Limited	(39)	-
Progressive Media UK Limited	-	(149)
Financial News Publishing Limited	-	(24)
Progressive Media International Middle East FZ-LLC	-	(238)
Elite Luxury Publishing Inc	-	(77)
	(1,522)	(2,116)

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Registered number

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