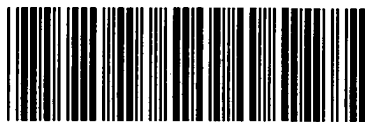


Experian Limited

Annual report and financial statements
for the year ended 31 March 2014

Company registered number 00653331

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Experian Limited
Annual report and financial statements
for the year ended 31 March 2014

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Experian Limited

Directors and other information

Directors

C G Clark
W J S Floyd
R C Gallagher
M E Pepper
C J Rutter
M Wells

Company secretary

R P Hanna

Registered office

Landmark House
Experian Way
NG2 Business Park
Nottingham
Nottinghamshire
NG80 1ZZ

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Experian Limited

Strategic report

for the year ended 31 March 2014

Activities and business model

Experian Limited ('the Company') is a member of the Experian plc Group ('the Group') and is its main UK operating subsidiary. We are the UK's largest credit reference agency.

Our principal activity is to provide data and analytical tools to clients. Clients use these to manage credit risk, prevent fraud, target marketing offers and automate decision making. We also help individuals to manage their credit relationships and protect against identity theft.

We are organised through four business lines, Credit Services, Decision Analytics, Marketing Services and Consumer Services, supported by a number of corporate and administrative functions. Descriptions of each of the business lines, their competitive environments and market influences, together with an overview of the Group's business model, strategy and strategic objectives, can be found on pages 6 to 13 of the Experian plc 2014 annual report, which does not form part of this report.

Within a strict data security and regulatory compliance framework, we acquire, aggregate, and cleanse, sort and store data. We apply our proprietary analytical models to the data.

We hold and securely manage incredibly powerful, high-quality data, to give our clients a broader and more accurate view of their customers and to give people a complete picture of their credit history.

Our analytics and software process, define and interpret data, automating our clients' day-to-day decisions and producing insights they can use. Our platforms enable our clients to manage and tailor these complex activities, according to their specific needs.

Our technical and industry experts work collaboratively with our clients. They combine data and analytical expertise with sector experience, to help solve strategic problems and turn insights into valuable business decisions, improving our clients' customer engagement and increasing their return on investment.

Our Credit Services and Decision Analytics businesses supply credit reports, scores, summary characteristic reports, and index data. Our Consumer Services business gives individuals access to their own credit report and score data, and helps them protect against identity theft.

Our Marketing Services business supplies information such as customer profile data, market insight reports and competitor insight reports, to clients.

Review of the business

Credit Services saw turnover grow by 2% over 2013 levels. During the year, we benefited from gradually improving volumes and the introduction of new products. We saw strength across consumer information, where we have benefited from increased credit origination activity amongst traditional lenders, engagements with new entrants in the banking market and growth across non-financial customers. Business information had a more mixed year, which we are addressing through a number of initiatives, including the introduction of new products and expansion of the small and medium enterprise channel.

Decision Analytics' turnover grew by nearly 11%, including approximately 7% from the acquired trade of 192business Ltd. Momentum improved as the year progressed as large organisations started to invest more in updating core systems. We secured a number of major client wins for credit risk management software, including our first UK major deal for PowerCurve originations. We also saw further traction in identity management and fraud prevention services. More recently, we have added device identification from 41st Parameter (a US fellow subsidiary of the Group) to our product range, and we were pleased to secure a major client win in the insurance sector after the year-end.

In Marketing Services, turnover grew by 89%: virtually all this growth was due to the inclusion in our results of the first full year of trading from what had been the UK operations of QAS Limited. During the year we focused on developing a more integrated approach to Marketing Services in the UK, bundling our services in order to create a more comprehensive offer for our clients across channels. This has delivered demonstrable benefits, as we have secured new client wins, with a good pipeline of similar future prospects.

Consumer Services performed strongly, with turnover growth of 18%. Growth reflected new member growth and improved member retention as we continue to build our UK brand, where we have benefited from a significant uplift in consumer recognition, and as we add new features and enhancements to increase the attraction of the membership service and to encourage loyalty.

Experian Limited

Strategic report (continued)

Review of the business (continued)

With effect from 28 March 2013, 192business Ltd, the UK operations of QAS Limited, Experian Northern Ireland Limited and Techlightenment Ltd transferred their businesses, undertakings and assets into the Company. Our 2014 results therefore include the results of these businesses and operations for the first time, and we believe that these acquisitions have contributed nearly 16% of the 22% growth in turnover beyond 2013 levels.

Reported total staff costs increased by £28.0m between 2013 and 2014. The biggest contributor to this increase was these acquired businesses, which had employed a monthly average of 362 personnel in 2013. However, our average monthly staff numbers increased by only 262, mainly as the result of restructuring and cost-efficiency programmes.

Out of the total increase in other operating charges of £82.8m between 2013 and 2014, the acquired trades are believed to have resulted in an increase of approximately £31.2m.

On 2 April 2013, we transferred some of our intellectual property ('IP'), comprising various decision analytics software systems, to Experian Technology Limited, a fellow subsidiary undertaking, for a cash consideration of £37.8m, realising a profit on its disposal of £37.2m. Experian Technology Limited will own the rights to the IP involved, licence its continued use and sale by us and charge us royalties for that use.

With movements in related, and other, royalties charged by us to fellow subsidiary companies, the net effect of the changes in IP arrangements has been to increase other operating charges from 2013 to 2014 by £12.0m.

With effect from 1 April 2013 there was a review of the arrangements over charges to and from other Group companies in respect of Group and regional management services provided during the year by various Group companies. Together with changes in recharges for IT development and IT operational costs, this gave rise to the recognition of additional other operating charges in the year ended 31 March 2014 of approximately £33.0m.

The 2014 results include receipts of £24.5m (2013: £129.3m) of dividends from subsidiaries, including £21.9m (2013: £100.0m) from QAS Limited. We raised impairment charges of £23.5m (2013: £41.0m) against the carrying value of certain investments in our subsidiaries, including those which no longer trade and from which dividends were received.

The 2014 results and the financial position at the year-end were considered satisfactory by the directors.

Principal risks and uncertainties

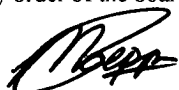
The management of the business and the execution of our strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to data security, information systems and government regulation. The principal risks and uncertainties we face, together with the main means by which they are managed or mitigated, are set out on pages 20 to 26 of the Experian plc 2014 annual report, which does not form part of this report.

From 1 April 2014 the Financial Conduct Authority ('FCA') has regulated credit bureaux in the UK. The Company currently operates under an interim permission and is in the process of obtaining its full permission. We continue to face increasing regulatory compliance risk related to, amongst other things consumer protection and privacy, as there is still no certainty as to the impact of the rule making, investigative and enforcement powers of the FCA and other regulatory and administrative bodies on our Credit and Consumer Services businesses. We continue to refine our compliance strategies in response to the developing requirements of the FCA.

Key performance indicators

As the Company's relevant risks are managed on a group or divisional basis, the directors believe that analysis using key performance indicators for the Company in isolation is not necessary or appropriate for an understanding of its development, performance or position. Information on the Group's key performance indicators is given on pages 18 and 19 of the Experian plc 2014 annual report.

By order of the board



M E Pepper
Director

19 November 2014

The Company's registered number is 00653331.

Experian Limited

Directors' report

for the year ended 31 March 2014

Results and dividends

The profit for the financial year was £68.8m (2013: £159.2m). A first interim dividend of £142.87 per share, with a total cost of £70.0m, was paid on 4 October 2013 and a second interim dividend of £177.57 per share, with a total cost of £87.0m, was paid on 12 December 2013. In the previous financial year total interim dividends were paid of £346.97 per share (cost £170.0m).

Likely future developments

In our Credit Services business, we have placed significant emphasis on increasing the data depth of the credit bureau. This helps to open up new market opportunities, enables greater levels of innovation and ultimately creates ever greater competitive distinction for Experian. Overall, we feel well placed as confidence and investment return to the UK economy.

We have added device identification from The 41st Parameter to the Company's product range, and were pleased to secure a major client win in the insurance sector after the year-end.

HD Decisions Limited was acquired for cash on 7 May 2014. It is the UK market leader in providing technology and services to price comparison websites and lenders for informing product recommendations in response to consumer enquiries.

X88 Software Limited was acquired for cash on 1 October 2014. It develops and provides data management software which complements some of the Company's existing products.

The external commercial environment is expected to remain competitive for the remainder of 2014 and 2015, but the directors remain confident that the current level of performance should be maintained in future.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the net current liabilities of £444.8m at 31 March 2014 (2013: £348.5m). Experian plc has given an undertaking to support the Company for at least twelve months from the date of signing the financial statements.

Financial risk management

The directors also monitor the risks facing the Company with reference to its exposure to foreign exchange, interest rate, price, credit, and liquidity risks. They are confident that there are suitable policies in place and there are no material risks and uncertainties which have not been considered. The most significant of these risks is credit risk.

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any counterparty is subject to a limit, which is reassessed periodically.

Most aspects of exposures to foreign exchange, interest rate, price, and liquidity risk are managed on a group basis and are discussed in the financial review on pages 47 and 48 of the Experian plc 2014 annual report, and note 8 to the Experian plc 2014 Group financial statements, neither of which form part of this report.

Directors

The directors holding office during the year and up to the date of this report were:

C A Boundy	(resigned 21 May 2014)
C G Clark	(appointed 17 June 2014)
R W Fiddis	(resigned 19 June 2014)
W J S Floyd	(appointed 11 July 2013)
R C Gallagher	
B J Herb	(resigned 3 July 2013)
M E Pepper	
C J Rutter	
M Wells	

Insurance and third party indemnification

During the year and up to the date of signing of this report the Company, through the Group, maintained liability insurance and third party indemnification provisions (which are a qualifying third party indemnity provision for the purposes of the Companies Act 2006) for its directors and the company secretary.

Acquisitions in the year

On 3 May 2013 the Company invested a further £64.3m of cash consideration in exchange for the issue of additional shares in Experian International Unlimited, an existing wholly-owned subsidiary.

Experian Limited

Directors' report (continued)

On 20 March 2014 it acquired The 41st Parameter Ltd from a fellow Group subsidiary for a cash consideration.

Research and development

Research and, particularly, continued product development have been a high priority in driving growth. However, under revised arrangements introduced in the Group, many development costs are now borne by Experian Technology Limited, which owns the rights to the related intellectual property and licences its use by the Company.

Employee involvement

Experian Limited is continuously improving its employment policies and processes. The Company promotes a healthy and safe working environment, and is committed to the continuous development of its people.

The Company is committed to employee involvement throughout the business and is intent on motivating and keeping staff informed on matters that concern them in the context of their employment and involving them through local consultative procedures. Employees are kept well informed on matters of concern and the financial and economic factors affecting the Group's performance through management channels, conferences, meetings, publications, and an internal social networking and intranet site.

Experian continues to support employee share ownership through the provision of save as you earn and other employee share plan arrangements intended to align the interests of employees with those of shareholders.

Employment of people with disabilities

People with disabilities have equal opportunities when applying for vacancies. In addition to complying with legislative requirements, procedures are in place to ensure that disabled employees are treated fairly and that their training and career development needs are carefully managed. For those employees becoming disabled during the course of their employment, the Company is supportive, whether through re-training or re-deployment, so as to provide an opportunity for them to remain with the Company whenever possible.

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the directors are required to:

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

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

Statement of disclosure of information to auditors

As at the date this report was signed, so far as each director is aware:

- there is no relevant audit information of which the auditors are unaware; and
- each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the board



M E Pepper
Director
19 November 2014

Auditors' report

Independent auditors' report to the members of Experian Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Experian Limited, comprise:

- the balance sheet as at 31 March 2014;
- the profit and loss account and the statement of total recognised gains and losses for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation comprises applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgments, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ('ISAs (UK & Ireland)'). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

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

Independent auditors' report to the members of Experian Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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



David Teager (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
19 November 2014

Experian Limited

Profit and loss account

for the year ended 31 March 2014

	Notes	2014 £m	2013 £m
Turnover	2	511.9	421.3
Own work capitalised		24.3	30.9
		536.2	452.2
Staff costs	3	(220.7)	(192.7)
Depreciation and other amounts written off tangible and intangible fixed assets	7	(70.9)	(56.4)
Other operating charges		(213.9)	(131.1)
Operating profit		30.7	72.0
Profit on sale of intellectual property rights and software	10	37.2	-
Income from shares in group undertakings		24.5	129.3
Other interest receivable and similar income	5	31.9	30.2
Amounts written off investments – impairment charges against investments in subsidiary undertakings	12	(23.5)	(41.0)
Interest payable and similar charges	6	(34.3)	(31.4)
Profit on ordinary activities before tax	7	66.5	159.1
Tax on profit on ordinary activities	8	2.3	0.1
Profit on ordinary activities after tax and for the financial year	20	68.8	159.2

All amounts relate to continuing operations.

There is no difference between the profits on ordinary activities before tax and the profits for the financial years stated above and their historical cost equivalents.

Experian Limited

Statement of total recognised gains and losses

for the year ended 31 March 2014

	Notes	2014 £m	2013 £m
Profit for the financial year		68.8	159.2
Actuarial losses on pension assets and obligations	23	(15.6)	(34.4)
Effect of release of de-recognition of pension surplus	23	-	13.8
Total actuarial losses on pension plan	23	(15.6)	(20.6)
Deferred tax in respect of actuarial losses	18	1.8	5.0
Impact of reduction in future corporation tax rate on deferred tax attributable to pension surplus		0.7	0.3
Total recognised gains relating to the year		55.7	143.9

Experian Limited

Balance sheet

at 31 March 2014

	Notes	2014 £m	2013 £m
Fixed assets			
Intangible assets	10	193.9	233.5
Tangible assets	11	43.6	42.4
Investments – shares in group undertakings	12	258.6	217.3
		496.1	493.2
Current assets			
Debtors	13	207.4	213.3
Investments – other investments	14	1.5	-
Cash at bank and in hand		1.1	4.1
		210.0	217.4
Current liabilities			
Creditors – amounts falling due within one year	15	(654.8)	(565.9)
Net current liabilities		(444.8)	(348.5)
Total assets less current liabilities		51.3	144.7
Creditors – amounts falling due after more than one year	17	(1.3)	(2.0)
Provisions for liabilities	16	(2.3)	(4.1)
Net assets excluding net pension assets and liabilities		47.7	138.6
Net pension asset – funded defined benefit pension plan	23	32.5	37.5
Net pension liability – unfunded pension arrangements	23	(12.5)	(12.4)
Net assets including net pension assets and liabilities		67.7	163.7
Capital and reserves			
Called up share capital	19	0.5	0.5
Share premium account	20	17.2	17.2
Other reserves – capital redemption reserve	20	-	-
Profit and loss account	20	50.0	146.0
Total shareholders' funds	21	67.7	163.7

The financial statements on pages 8 to 35 were approved by the board of directors on 19 November 2014 and signed on its behalf by:



M E Pepper
Director

Experian Limited

Notes to the financial statements

for the year ended 31 March 2014

1 Accounting policies

Basis of accounting

These financial statements have been prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable UK accounting standards, and have been rounded to the nearest hundred thousand pounds except where specifically noted otherwise. The material accounting policies relevant to these financial statements are set out below.

In accordance with Financial Reporting Standard ('FRS') 18, the Company has conducted a review of its accounting policies and estimation techniques, which has not resulted in any change to the Company's accounting policies or estimation techniques.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the net current liabilities of £444.8m at 31 March 2014 (2013: £348.5m). Experian plc has given an undertaking to support the Company for at least twelve months from the date of signing the financial statements.

Cash flow statement, group accounts and related party disclosures

The Company is a wholly-owned subsidiary of Experian plc and included in its consolidated financial statements, which are publicly available. Under FRS 1, these financial statements do not require inclusion of a cash flow statement. Under the Companies Act 2006 the Company is exempt from preparing group accounts. Under FRS 8 the Company is exempt from disclosing transactions with entities that are wholly-owned by Experian plc. Details of other related party transactions are given in note 26.

Turnover and revenue recognition

Turnover represents the fair value of the sale of services to customers, net of VAT and other sales taxes, rebates and discounts, including the provision and processing of data, subscriptions to services, software and database customisation and development and the sale of software licences, maintenance and related consulting services.

Turnover in respect of the provision and processing of data is recognised in the year in which the service is provided. Subscription turnover, and turnover in respect of services to be provided by an indeterminate number of acts over a specified period of time, is recognised on a straight-line basis over those periods.

Customisation, development and consulting turnover is recognised by reference to the stage of completion of the work. Turnover from software licences is recognised upon delivery. Turnover from maintenance agreements is recognised on a straight-line basis over the term of the maintenance period.

Where a single arrangement comprises a number of individual elements which are capable of operating independently of one another, the total revenues are allocated amongst the individual elements based on an estimate of the fair value of each element. Where the elements are not capable of operating independently, or reasonable measures of fair value for each element are not available, total revenue is recognised on a straight-line basis over the contract period.

Amounts received in advance of the delivery or performance of services are classified as deferred income.

Pension costs and post-retirement benefits

The Company provides pension benefits to eligible employees through membership of the Experian Pension Scheme, a defined benefit pension plan operated by itself and Experian Finance plc, but which was closed to new entrants in 2009. The plan is governed by a trust deed which ensures that its finances and governance are independent from those of the Group. It has rules which specify the benefits to be paid and is financed accordingly with assets being held in independently administered funds. The cost of providing retirement benefits is charged to the profit and loss account under FRS 17 as set out in note 23.

The Experian Retirement Savings Plan, a defined contribution pension plan operated by the Company and Experian Finance plc, exists for employees not eligible to join the above defined benefit plan. This plan is also governed by a trust deed which ensures that its finances and governance are independent from those of the Group. The pension cost recognised in the profit and loss account represents employer's contributions incurred in respect of that plan.

The cost of providing other post-retirement benefits for pensioners, such as healthcare, is recognised on a basis similar to that adopted for defined benefit pensions.

Pension assets and obligations are separately reported in the balance sheet, net of related deferred tax.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

1 Accounting policies (continued)

Foreign currency translation

Transactions in foreign currencies are recorded at the exchange rates in effect at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates ruling at the balance sheet date. All differences are taken to the profit and loss account in the year in which they arise.

Interest

Interest receivable and payable is recognised on an accruals basis.

Dividends

Dividend income from subsidiary undertakings is recognised when subsidiaries have paid interim dividends or have proposed and authorised final dividends.

Interim dividends paid are recognised in the financial statements when they are paid.

Intangible assets

Intangible assets comprise goodwill, databases which are used by clients and customers, and deferred development costs of commercially exploitable systems.

Purchased goodwill, being the difference between the fair value of consideration paid and the fair value of assets and liabilities acquired, is capitalised and amortised on a straight-line basis over its estimated useful life, between two and ten years, but principally five years. Immediate provision is made for permanent diminution in value.

Databases comprise the data purchase and data capture costs of internally developed databases, for use by clients to determine the credit worthiness and purchasing patterns of individuals and companies. These costs are capitalised as development costs in accordance with Statement of Standard Accounting Practice ('SSAP') 13. The databases are regularly updated, and their costs are amortised on a straight-line basis over a period of three to five years.

Deferred development expenditure comprises the product development costs of commercially exploitable systems, to the extent they are recoverable. Such costs, which are amortised on a straight-line basis over the anticipated product life, normally three to five years, relate to clearly defined projects for which the expenditure is separately identifiable.

In accordance with FRS 11, the carrying value of intangible assets is subject to ongoing impairment reviews.

Other research and development costs relating to minor product enhancements and developments are expensed in the year in which they are incurred.

Tangible assets

Tangible fixed assets are recorded at cost less accumulated depreciation. Cost includes the original purchase price of the asset and costs attributable to bringing it to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	-	50 years
Short leasehold properties	-	Over the remaining period of the lease
Plant and machinery	-	3 to 10 years
Fixtures and fittings	-	3 to 10 years

Investments

Investments in group undertakings are valued at cost less any provisions necessary for permanent diminution in value. Provisions have been calculated by reference to the higher of net realisable value and value-in use. Value-in-use calculations generally use a pre-tax discount rate of 9.9%, reflecting the Group's weighted average cost of capital for its UK and Ireland operating segment.

Leased assets

Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

1 Accounting policies (continued)

Trade debtors

Trade debtors are initially recognised at fair value and subsequently measured at this value less any provision for impairment. A provision for impairment of debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of debts. Such evidence is based primarily on the pattern of cash received compared to the terms upon which the debt is contracted.

The amount of the provision is the difference between the carrying amount and the value of estimated future cash flows. Any charge or credit in respect of such provisions is recognised in the profit and loss account within other operating charges. The cost of any irrecoverable debtors not included in the provision is recognised in the profit and loss account immediately within other operating charges. Subsequent recoveries of any amounts previously written off are credited in the profit and loss account within other operating charges.

Deferred tax

Deferred tax has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more, or a right to pay less, tax in the future. A deferred tax asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities recognised have not been discounted.

Provisions for liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Share incentive plans

Company employees participate in the Experian plc share incentive plans. The Company treats its share incentive arrangements as equity-settled as Experian plc satisfies the awards in shares. The fair value of share incentives granted is recognised as an expense after taking into account the Company's best estimate of the number of shares expected to vest. The Company revises the vesting estimate at each balance sheet date. Non-market performance conditions are included in the vesting estimates. Expenses are incurred over the vesting period. Fair value is measured at the date of grant using whichever of the Black-Scholes model, Monte Carlo model or closing market price is most appropriate to the award. Market-based performance conditions are included in the fair value measurement on grant date and are not revised for actual performance. Fair value takes account of dividend equivalents paid at vesting. Accordingly, cash flows in respect of such items are separately recognised directly as movements in total shareholders' funds.

Critical accounting estimates, judgments and assumptions

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amount of turnover, costs and charges, assets and liabilities and the disclosure of contingent liabilities. The resulting accounting estimates, which are based on management's best judgment at the date of the financial statements, will, by definition, seldom equal the related actual results. 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 are discussed below.

Pension benefits

The present value of the defined benefit assets and obligations depends on factors that are determined on an actuarial basis using a number of assumptions.

The assumptions used in determining the defined benefit assets and obligations and net pension costs include the expected long-term rate of return on the plan assets and the discount rate. Any changes in these assumptions may affect the amounts disclosed in the financial statements.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

1 Accounting policies (continued)

The expected return on plan assets is calculated by reference to the plan investments at the balance sheet date and is a weighted average of the expected returns on each main asset type based on market yields available on these asset types at that date.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows, using market yields on high-quality corporate sterling bonds with maturity terms consistent with the estimated average term of the related pension liability.

The Experian Pension Scheme is a multi-employer plan and covers former employees of legacy Group companies who are not directly linked to either the Company or Experian Finance plc. During the year ended 31 March 2012, it was decided that the Company, as the employer of the majority of plan members, should recognise all the relevant obligations and assets in its financial statements. Details of the total multi-employer plan are set out on pages 148 to 152 of the Experian plc 2014 annual report.

Other key assumptions for defined benefit obligations and pension costs are based in part on market conditions at the relevant balance sheet dates and additional information is disclosed in note 23.

2 Turnover

Turnover is predominantly with UK clients and customers.

Significant turnover in markets other than the UK

	2014 £m	2013 £m
Australia	6.8	6.3
Turkey	2.3	1.8
Nordic countries	3.2	1.1
Central and Eastern Europe	0.8	0.5

Turnover by class of business

	2014 £m	2013 £m
Credit Services	141.8	138.8
Decision Analytics	140.5	126.8
Marketing Services	124.4	65.7
Consumer Services	98.4	83.4
Other	6.8	6.6
	511.9	421.3

An analysis of profit before tax by class of business has not been given under SSAP 25 since Experian plc publishes segmental information in accordance with IFRS 8.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

3 Staff costs and numbers

Staff costs

	2014 £m	2013 £m
Wages and salaries	180.7	157.7
Social security costs	19.6	17.3
Share incentive plans, including related social security costs (note 24)	6.3	6.8
Pension costs – defined benefit plans (note 23)	3.9	3.3
Pensions costs – defined contribution plans	10.2	7.6
Other pension costs	14.1	10.9
	220.7	192.7

Wages and salaries reported above include £4.7m of exceptional severance costs and double running costs (2013: £3.8m) related to restructuring (see note 7) and £2.8m (2013: £2.0m) of other severance costs. Other pension costs are stated after taking credit for a pension settlement or curtailment gain of £0.2m (2013: £0.4m) (see note 23).

Staff numbers - monthly averages

	2014 Number	2013 Number
Development and delivery	2,416	2,368
Administrative	327	261
Distribution and sales	597	449
	3,340	3,078

4 Directors' remuneration

	2014 £m	2013 £m
Aggregate emoluments (excluding employer's pension contributions)	2.6	2.8

Four (2013: four) of the eight (2013: seven) directors who held office in the year were remunerated by other Group companies. It is not practicable to allocate a charge for the services of three (2013: three) of these between the Group companies they serve. Some expense allowances were paid and a management recharge was received in respect of the remaining director, and these are included in the above aggregate emoluments.

Retirement benefits accrued to two (2013: two) of the directors under a defined benefit pension plan. Four (2013: three) accrued benefits under a defined contribution pension plan – the employer's contributions were £61,000.

In 2014 awards over Experian plc ordinary shares were released to five directors (2013: four), under long-term incentive plans, with an estimated value of £7,254,000 (2013: £4,816,000). Awards released in 2014 to two of those directors were structured as nil-cost options. Three directors realised total gross gains of £4,109,000 on exercise of the options and sales of the shares (2013: six directors, including the highest paid, exercised options over Experian plc ordinary shares and realised total gross gains of £2,118,000 on sales of the shares).

Highest paid director

	2014 £'000	2013 £'000
Emoluments (excluding employer's pension contributions)	1,088	1,217
Money purchase pension plan – employer's contributions	29	80

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

5 Other interest receivable and similar income

	2014 £m	2013 £m
Bank deposit interest	0.1	0.2
Expected return on pension plan assets (note 23)	31.8	30.0
	31.9	30.2

6 Interest payable and similar charges

	2014 £m	2013 £m
Bank overdrafts	0.2	0.2
Interest payable to other group undertakings	6.8	6.0
Foreign exchange losses on intra group financing	2.2	0.2
Foreign exchange losses on bank financing	0.1	0.4
Unwinding of discount on long term liabilities	0.1	0.1
Interest expense on pension plan liabilities (note 23)	24.9	24.5
	34.3	31.4

7 Profit on ordinary activities before tax

Profit on ordinary activities before tax is stated after charging:

	2014 £m	2013 £m
Depreciation of owned tangible fixed assets	13.9	11.4
Depreciation of leased tangible fixed assets	0.6	-
Depreciation of tangible fixed assets (note 11)	14.5	11.4
Amortisation of intangible fixed assets (note 10)	56.4	38.2
Exceptional impairment of goodwill (note 10)	-	4.0
Charge for loss on retirement of intangible fixed assets	-	2.8
Total depreciation and other amounts written off tangible and intangible fixed assets	70.9	56.4
Fees payable to the auditor for the audit of the Company's financial statements	0.3	0.2
Operating lease rentals – plant and machinery	9.9	9.1
Operating lease rentals – other (property)	9.1	9.3
Loss on the disposal of fixed assets, excluding intellectual property and software	0.7	-
Restructuring costs	8.8	4.5

A 2013 charge for loss on the retirement of intangible fixed assets of £2.1m resulted from the retirement of a software platform earlier than previously planned. A further charge of £0.7m in 2013 was expensed in respect of other deferred development expenditure previously capitalised.

Restructuring costs of £4.5m (including £3.8m of employee severance costs and a pension curtailment gain of £0.4m – see note 3) were expensed in 2013 as part of a cost efficiency programme announced in November 2012.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

7 Profit on ordinary activities before tax (continued)

These costs relate to the restructuring of the organisation and are expected to deliver significant cost savings going forward. Further similar costs of £8.8m were expensed in the year ended 31 March 2014, including £2.9m of employee severance costs, £1.8m of staff costs relating to duplicated functions or double running costs, and £1.1m charged to Provisions for liabilities (see note 16) as a result of further restructuring initiatives.

There was no corporation tax or deferred tax charge impact attributable to the impairment charges detailed above.

8 Tax on profit on ordinary activities

Analysis of (credit) for the year

	2014 £m	2013 £m
Current tax:		
UK corporation tax on the profit for the year	-	-
Adjustments in respect of prior years	-	0.3
Overseas tax	0.8	1.4
Total current tax	0.8	1.7
Deferred tax:		
Origination and reversal of timing differences	(2.3)	(1.3)
Effect of change in tax rate	3.0	0.7
Adjustments in respect of prior years	(3.8)	(1.2)
Total deferred tax	(3.1)	(1.8)
Tax on profit on ordinary activities	(2.3)	(0.1)

Factors affecting the total current tax charge for the year

The current tax charge for the year is at a rate lower (2013: lower) than the main rate of UK corporation tax of 23% (2013: 24%). The differences are explained below.

Reconciliation of current tax charge

	2014 £m	2013 £m
Profit on ordinary activities before tax	66.5	159.1
Profit on ordinary activities multiplied by the main rate of UK corporation tax	15.3	38.2
Effects of:		
Adjustment in respect of prior years	-	0.3
Overseas tax paid	0.8	1.4
Income not taxable	(16.3)	(31.1)
Expenses not deductible for tax purposes	19.1	18.9
Other timing differences	0.9	0.9
Group relief claimed without payment of consideration	(19.0)	(26.9)
Current tax charge for the year	0.8	1.7

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

8 Tax on profit on ordinary activities (continued)

The directors have considered the tax effect of UK to UK transfer pricing legislation on non-interest-bearing intra-group loans and are satisfied that any associated tax charge/(credit) arising will be offset by compensating adjustments from other Group companies such that no additional tax asset or liability should arise. Therefore, no entries in respect of these items have been reflected in these financial statements as the net impact on both the tax charge and net assets is £nil (2013: £nil).

Factors affecting future tax liabilities

In the foreseeable future, the Company's tax liability will continue to be influenced by the nature of its income and expenditure, the ability of its parent group to surrender UK tax losses to it, and could be affected by changes in UK tax law.

The main rate of UK corporation tax has been reduced to 23% from 1 April 2013, 21% from 1 April 2014, and 20% from 1 April 2015.

The calculation of the Company's deferred tax balance at 31 March 2013 (see note 18) has not reflected reductions still to be substantively enacted by that date. If the deferred tax balance had reflected those changes it would have resulted in a reduction in the Company's deferred tax asset of approximately £2.1m and a reduction in the pension deferred tax liability of approximately £1.0m at 31 March 2013.

9 Dividends

Interim dividends paid in the year

	2014 £m	2013 £m
Interim dividend of £142.87 per share paid 4 October 2013	70.0	-
Second interim dividend of £177.57 per share paid 12 December 2013	87.0	-
First interim dividend of £244.92 per share paid 11 September 2012	-	120.0
Second interim dividend of £102.05 per share paid 11 January 2013	-	50.0
	157.0	170.0

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

10 Intangible assets

	Goodwill	Databases	Deferred development expenditure	Total
	£m	£m	£m	£m
Cost				
At 1 April 2013	228.1	74.9	109.7	412.7
Additions	-	6.3	12.8	19.1
Disposals	-	(0.3)	(4.1)	(4.4)
Transfers to other group companies	-	-	(8.4)	(8.4)
Reclassifications between asset categories	-	(1.4)	(0.3)	(1.7)
At 31 March 2014	228.1	79.5	109.7	417.3
Amortisation				
At 1 April 2013	69.7	58.5	51.0	179.2
Charge for the year	39.4	5.4	11.6	56.4
Disposals	-	(0.3)	(4.1)	(4.4)
Transfers to other group companies	-	-	(7.8)	(7.8)
Reclassifications between asset categories	-	(0.7)	0.7	-
At 31 March 2014	109.1	62.9	51.4	223.4
Net book amount				
At 31 March 2014	119.0	16.6	58.3	193.9
At 31 March 2013	158.4	16.4	58.7	233.5

On 2 April 2013, the Company transferred some intellectual property, comprising various decision analytics software systems, to Experian Technology Limited, a fellow subsidiary, for a cash consideration of £37.8m, realising a profit on its disposal of £37.2m. Experian Technology Limited will own the rights to the related intellectual property, licence its continued use and sale by the Company, and charge the Company royalties for that use.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

11 Tangible assets

	Freehold land and buildings	Short leasehold properties	Plant and machinery, fixtures and fittings	Total
	£m	£m	£m	£m
Cost				
At 1 April 2013	14.6	0.1	104.7	119.4
Additions	-	-	14.4	14.4
Disposals	-	(0.1)	(23.0)	(23.1)
Reclassifications between asset categories	-	-	1.7	1.7
At 31 March 2014	14.6	-	97.8	112.4
Depreciation				
At 1 April 2013	9.0	0.1	67.9	77.0
Charge for the year	0.2	-	14.3	14.5
Disposals	-	(0.1)	(22.6)	(22.7)
Reclassifications between asset categories	-	-	-	-
At 31 March 2014	9.2	-	59.6	68.8
Net book amount				
At 31 March 2014	5.4	-	38.2	43.6
At 31 March 2013	5.6	-	36.8	42.4

The cost and net book amount of freehold land and buildings reported above includes approximately £0.5m (2013: £0.5m) of freehold land which is not depreciated.

The net book amount of plant and machinery, fixtures and fittings at 31 March 2014 includes £2.2m attributable to assets held under finance leases (2013: £2.8m).

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

12 Fixed asset investments – shares in group undertakings

	£m
Cost	
At 1 April 2013	862.3
Acquisition expenditure, including related acquisition expenses	64.8
At 31 March 2014	927.1
Provisions for impairment	
At 1 April 2013	645.0
Charge for the year	23.5
At 31 March 2014	668.5
Net book amount	
At 31 March 2014	258.6
At 31 March 2013	217.3

Acquisition expenditure comprised the following:

On 3 May 2013 the Company invested £64.3m of cash consideration in exchange for the issue of additional shares in Experian International Unlimited, an existing wholly-owned subsidiary.

On 17 January 2014 the Company subscribed its intercompany receivable balance of £0.4m as consideration in exchange for additional ordinary shares in Techlightenment Ltd, an existing wholly-owned subsidiary.

On 20 March 2014 the Company acquired 100% of the issued shares of The 41st Parameter, Ltd. from a fellow subsidiary undertaking for a cash consideration of £0.1m.

Impairment charges raised in the year were against the carrying values of investments in five (2013: six) subsidiaries following the receipt of dividends from certain subsidiaries which no longer trade.

The principal subsidiary undertakings as at the year-end are listed below. The Company directly owns 100% of their voting shares. They are incorporated and registered in England and Wales.

Name	Trade
Experian SURBS Investments Limited	Holds investments to secure pension benefits
FootFall Limited	Provides pedestrian counting systems
Experian International Unlimited	Intra-group financing

Other subsidiary undertakings are listed in note 29. In the opinion of the directors, their results or financial positions are not considered to have principally affected the figures shown in these financial statements.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

13 Debtors

	2014 £m	2013 £m
Trade debtors	100.8	111.9
Amounts owed by group undertakings	60.0	49.4
Prepayments and accrued income	26.4	34.9
Deferred tax (note 18)	20.2	17.1
	207.4	213.3

All amounts owed by group undertakings are unsecured, interest free, and repayable on demand.

14 Current asset investments – other investments

The investment at 31 March 2014 comprised the cost of an option to acquire the whole of the issued capital of a UK private company.

15 Creditors – amounts falling due within one year

	2014 £m	2013 £m
Bank loans and overdrafts – finance lease obligations	0.6	0.6
Trade creditors	20.1	31.6
Amounts owed to group undertakings	462.6	381.5
Other creditors including tax and social security	25.6	22.0
Accruals and deferred income	145.9	130.2
	654.8	565.9

Amounts owed to group undertakings are unsecured and repayable on demand. Included in these is £376.2m (2013: £288.8m) which carries interest at sterling one month LIBOR + 0.75%. Remaining amounts are interest free.

16 Provisions for liabilities

Restructuring provisions

	£m
At 1 April 2013	4.1
New provisions created in the year	1.1
Amount utilised/paid in the year	(3.0)
Unwinding of discount	0.1
At 31 March 2014	2.3

In 2011 a provision was raised in connection with the sale of part of the Company's database marketing activities. At 31 March 2014 the remaining related provision was £1.0m (2013: £1.4m), mainly attributable to an onerous lease on property now surplus to requirements: this provision is expected to be fully utilised by December 2014.

In 2013, a new provision of £2.0m was raised in connection with a programme of cost-efficiency measures. At 31 March 2014 the remaining related provision was £0.4m (2013: £2.0m); this is expected to be fully utilised in the year ending 31 March 2015.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

16 Provisions for liabilities (continued)

In 2014, a provision of £1.1m was raised in connection with a further programme of cost-efficiency measures. At 31 March 2014 the remaining related provision was £0.9m: this is expected to be fully utilised in the year ending 31 March 2015.

17 Creditors – amounts falling due after more than one year

Amounts falling due after more than one year comprise obligations under finance leases, payable within five years.

18 Deferred tax

	Pension assets - deferred tax (liability)	Pension obligations - deferred tax asset	Net pension deferred tax (liability)	Other Deferred tax asset
	£m	£m	£m	£m
At 1 April 2013	(11.2)	3.7	(7.5)	17.1
Statement of total recognised gains and losses	3.1	(0.6)	2.5	-
Profit and loss account	-	-	-	3.1
At 31 March 2014	(8.1)	3.1	(5.0)	20.2

There is no deferred tax unprovided at 31 March 2014 or 2013. The Other deferred tax asset was attributable to:

	2014 £m	2013 £m
Depreciation in excess of capital allowances	17.0	16.1
Other short term timing differences	3.2	1.0
	20.2	17.1

19 Called up share capital

Allotted and fully paid

	Number of shares allotted	2014 £m	2013 £m
Ordinary shares of £1 each	489,950	0.5	0.5

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

20 Reserves

	Share premium account £m	Capital redemption reserve £m	Profit and loss account £m	Total £m
At 1 April 2013	17.2	-	146.0	163.2
Profit for the financial year	-	-	68.8	68.8
Credit in respect of share incentive plans	-	-	5.5	5.5
Other movements regarding share incentive plans	-	-	(0.2)	(0.2)
Actuarial loss on pension plan	-	-	(15.6)	(15.6)
Deferred tax in respect of items taken directly to equity	-	-	2.5	2.5
Interim dividends paid	-	-	(157.0)	(157.0)
At 31 March 2014	17.2	-	50.0	67.2

The balance on the Company's capital redemption reserve amounted to £5,000 (2013: £5,000).

21 Reconciliation of movements in shareholders' funds

	2014 £m	2013 £m
Profit for the financial year	68.8	159.2
Interim dividends paid	(157.0)	(170.0)
Credit in respect of share incentive plans	5.5	5.6
Other movements regarding share incentive plans (note 20)	(0.2)	(0.7)
Actuarial loss on pension plan	(15.6)	(20.6)
Deferred tax in respect of actuarial loss and other items taken directly to equity	2.5	5.3
Net decrease in shareholders' funds	(96.0)	(21.2)
Opening shareholders' funds	163.7	184.9
Closing shareholders' funds	67.7	163.7

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

22 Financial commitments

There were no significant capital commitments contracted but not provided for at either balance sheet date.

Annual commitments under non-cancellable operating leases were expiring:

	2014	2014	2013	2013
	Land and buildings £m	Plant and machinery £m	Land and buildings £m	Plant and machinery £m
Within one year	2.0	0.8	1.6	0.6
In between one and five years	0.6	3.4	4.3	3.7
In more than five years	2.5	1.9	-	1.9
	5.1	6.1	5.9	6.2

23 Pension and post-retirement benefits

A full actuarial funding valuation of the Experian Pension Scheme ("the Plan") is carried out every three years with interim reviews in the intervening years. The latest full actuarial funding valuation of the Plan was carried out as at 31 March 2013 by independent, qualified actuaries, Towers Watson Limited, using the projected unit credit method. Under this method of valuation the current service cost, when expressed as a percentage of pensionable salaries, will increase as members approach retirement due to the ageing active membership of the Plan. The next full valuation of the Plan will be carried out as at 31 March 2016.

The Company has had unfunded pension arrangements in place for a number of years designed to ensure that certain directors and senior managers who are affected by the UK earnings cap are placed in broadly the same position as those who are not. There are also unfunded arrangements for certain former directors and employees.

Arrangements are in place securing such unfunded pension benefit arrangements by granting charges to an independent trustee over independently managed portfolios of marketable securities owned by Experian SURBS Investments Limited. The amount of assets so charged is adjusted periodically to keep the ratio of assets charged to the discounted value of the accrued benefits secured close to the corresponding ratio in the Plan.

The Company operates a plan which provides post-retirement healthcare benefits to certain retired employees of the Experian plc Group and their dependant relatives. Under this plan, the Company has undertaken to meet the cost of post-retirement healthcare for all eligible former employees who retired prior to 1 April 1994 and their dependants.

The following disclosures required by FRS 17 relate to the Company's defined benefit pension arrangements and post-retirement healthcare obligations.

The valuations used at 31 March 2014 have been based on the most recent actuarial valuations, updated to take account of the requirements of FRS 17. The assumptions for discount rate, salary increases and mortality, used to calculate the present value of the defined benefit obligation, all have a significant effect on the accounting valuation. Changes to these assumptions in the light of prevailing conditions may have a significant impact on future valuations.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

23 Pension and post-retirement benefits (continued)

Principal actuarial assumptions

	2014 %	2013 %
Discount rate	4.3	4.5
Rate of inflation based on RPI	3.3	3.4
Rate of inflation based on CPI	2.3	2.4
Rate of increase for salaries	3.8	4.4
Rate of increase for pensions in payment – element based on RPI	3.0	3.1
Rate of increase for pensions in payment – element based on CPI (where cap is 5%)	1.7	2.4
Rate of increase for pensions in payment – element based on CPI (where cap is 3%)	1.9	2.0
Rate of increase for pensions in deferment	2.3	2.4
Rate of increase for medical costs	6.8	6.9
Expected return on Plan assets	5.4	5.1

The differing rates of increase for pensions in payment shown above reflect the separate arrangements applying to different groups of Experian's pensioners.

The main financial assumption is the real discount rate, i.e. the excess of the discount rate over the rate of inflation. If this assumption increased by 0.1%, the Company's defined benefit obligation would decrease by approximately £9.8m or 1.7% (2013: £11.3m or 2.0%), and the annual current service cost would decrease by approximately £0.2m (2013: £0.2m). The discount rate is based on the market yields on high quality corporate bonds of appropriate currency and term to the defined benefit obligations (which in this case have a maturity of approximately 18 years).

Mortality assumptions - average life expectation on retirement at age 65 in normal health

	2014 Years	2013 Years
For a male currently aged 65	23.2	22.5
For a female currently aged 65	25.0	23.7
For a male currently aged 50	24.6	23.6
For a female currently aged 50	26.9	24.8

The FRS 17 valuation assumes that mortality will be in line with standard tables adjusted to reflect the expected experience of the Plan membership based on analysis carried out for the 31 March 2013 funding valuation. A specific allowance for anticipated future improvements in life expectancy is also incorporated.

An increase in assumed life expectancy of 0.1 years would increase the Company's defined benefit obligations by approximately £2.3m or 0.4% (2013: £2.2m or 0.4%).

The valuation in respect of post-retirement healthcare additionally assumes a rate of future increase for medical costs. If that rate increased by 1.0%, the obligation in respect of this arrangement would increase by approximately £0.6m or 9.8% (2013: £0.7m, or 9.9%).

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

23 Pension and post-retirement benefits (continued)

Summary of assets of the Plan and their expected rates of return

	2014 Fair value	2014 Expected long-term rate of return	2013 Fair value	2013 Expected long-term rate of return
	£m	% p.a.	£m	% p.a.
Equities	278.8	6.6	265.6	6.9
Fixed interest securities	258.1	3.9	271.2	3.0
Other	61.1	6.6	60.6	6.8
	598.0	5.4	597.4	5.1

Equities and fixed interest securities have been stated at their current bid prices.

The assets of the Plan do not include any of the Company's own financial instruments or any property occupied by the Company.

The overall expected long-term rate of return has been determined by considering the mix of returns anticipated on the assets held in accordance with the current investment policy. Expected yields on fixed interest securities are based on gross redemption yields as at the balance sheet date. Expected returns on equities and other assets reflect the long-term real rates of return experienced in the respective markets.

Amounts recognised in the Company's balance sheet

	2014 £m	2013 £m
Market value of the Plan's assets	598.0	597.4
Present value of the Plan's liabilities	(557.4)	(548.7)
Surplus in the Plan recognised in the balance sheet	40.6	48.7
Less deferred tax liability (note 18)	(8.1)	(11.2)
Net pension asset - Net surplus in the Plan recognised in the balance sheet	32.5	37.5
Present value of unfunded pension arrangements	(15.6)	(16.1)
Less deferred tax asset (note 18)	3.1	3.7
Net pension liability - retirement benefit obligations recognised in the balance sheet	(12.5)	(12.4)

The entire surplus in respect of the Plan at 31 March 2014 is recoverable in accordance with FRS 17 and has been recognised in these financial statements in the statement of total recognised gains and losses.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

23 Pension and post-retirement benefits (continued)

Reconciliation of fair value of Plan assets

	2014 £m	2013 £m
At 1 April	597.4	545.7
Expected return on Plan assets	31.8	30.0
Total actuarial (losses)/gains arising on assets	(16.2)	38.2
Actual return on the Plan assets in the year - gain	15.6	68.2
Contributions paid by the Company	5.0	5.6
Employee contributions	1.7	1.8
Actual benefits paid	(21.7)	(23.9)
At 31 March	598.0	597.4

Reconciliation of present value of plan liabilities (including unfunded pension arrangements)

	2014 £m	2013 £m
At 1 April	564.8	486.5
Current service cost	4.1	3.7
Interest cost	24.9	24.5
Employee contributions	1.7	1.8
Total actuarial (gains)/losses on obligations	(0.6)	72.6
Actual benefits paid	(21.7)	(23.9)
Settlement or curtailment gain	(0.2)	(0.4)
At 31 March	573.0	564.8

Movements in amounts recognised in the balance sheet

	2014 £m	2013 £m
At 1 April	32.6	45.4
Amounts recognised in the profit and loss account	3.0	2.2
Actuarial losses arising on assets and obligations	(15.6)	(34.4)
Effect of release of restriction on recognition of pension surplus	-	13.8
Actuarial losses recognised in the statement of total recognised gains and losses	(15.6)	(20.6)
Contributions paid	5.0	5.6
At 31 March	25.0	32.6

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

23 Pension and post-retirement benefits (continued)

Amounts (charged against) operating profit

	2014 £m	2013 £m
Current service cost	(4.1)	(3.7)
Settlement or curtailment gain	0.2	0.4
	(3.9)	(3.3)

Amounts credited/(charged) to interest

	2014 £m	2013 £m
Expected return on pension plan assets (note 5)	31.8	30.0
Interest on pension plan liabilities (note 6)	(24.9)	(24.5)
Net return	6.9	5.5

Analysis of the amount recognised in the statement of total recognised gains and losses

	2014 £m	2013 £m
Actuarial (losses)/gains on Plan assets	(16.2)	38.2
Experience gains arising on plan liabilities	6.4	0.2
Changes in the assumptions underlying the present value of the plan liabilities	(5.8)	(72.8)
Effect of release of restriction on recognition of pension surplus	-	13.8
Total loss recognised in the statement of total recognised gains and losses	(15.6)	(20.6)

The cumulative amount of actuarial gains or losses recognised in the statement of total recognised gains and losses is a loss of £30.9m (2013: loss of £15.3m).

Amounts for current and previous four years

	2014 £m	2013 £m	2012 £m	2011 £m	2010 £m
Plan assets	598.0	597.4	545.7	474.6	485.1
Defined benefit obligations	573.0	564.8	486.5	434.7	523.7
Surplus/(deficit) ¹	25.0	32.6	59.2	39.9	(38.6)
Experience adjustments on Plan assets - amount	(16.2)	38.2	56.0	(31.9)	101.1
Experience adjustments on plan liabilities - amount	6.4	0.2	(40.5)	68.0	0.7
Total amount recognised in the statement of total recognised gains and losses¹	(15.6)	(20.6)	11.6	58.6	(14.0)

¹ Amounts for 2012 are given before a restriction of recognition of surplus imposed by FRS 17.

Contributions expected to be paid into the Plan during the next financial year are £4.3m by the Company and £1.7m by its employees.

Defined contribution plan

At the end of the year, there were no unpaid contributions outstanding (2013: £1.2m).

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

24 Share incentive plans

The information below relates to options and awards held by the Company's employees over Experian plc shares.

Options

Summary of arrangements and information relating to option valuation techniques

	Experian Share Option Plan	Experian Sharesave Plans
Nature	Grant of options ¹	'Save as you earn' plans
Vesting conditions:		
- Service period	3 years	3 or 5 years
- Performance/Other	n/a	Saving obligation over the vesting period
Maximum term	10 years	3.5 or 5.5 years
Method of settlement	Share distribution	Share distribution
Expected departures (at grant date)	5%	3 years – 30% ² 5 years – 50% ²
Option exercise price calculation ³	Market price over the 3 dealing days preceding the grant	20% discount to market price over 3 dealing days preceding the grant

¹ No options have been granted under the Experian Share Option Plan since the year ended 31 March 2010.

² The stated values for expected departures include an assumption about participants who will not meet the savings requirement of the plans.

³ Three day averages are calculated by taking middle market quotations of an Experian plc share from the London Stock Exchange daily official list.

Black-Scholes models are used to determine an appropriate value of the option grants and inputs into the models are calculated as follows:

Expected volatility - Calculated as an average over the expected life with an assumption made for volatility in each year of the expected life. Volatility in the first year is assumed to be the same as implied volatility on grant date. Volatility for year 4 and beyond is assumed to remain at the long run historic volatility. Linear interpolation is assumed for years 2 and 3.

Expected dividend yield - Yields are based on the current consensus analyst forecast figures at the time of grant. The inputs utilised are an average of the forecast over the next three financial years.

Risk-free rate - Rates are obtained from the UK Government Debt Management Office website which details historical prices and yields for gilt strips.

Expected option life to exercise - Options under the Experian Share Option Plan vest after 3 years and their expected life is 4 years. Options under the Experian Sharesave Plans have expected lives of either 3 or 5 years.

Share price on grant date - The closing price on the day the options were granted.

Option exercise price - Exercise price as stated in the terms of each award.

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

24 Share incentive plans (continued)

The weighted average estimated fair values and the inputs into the Black-Scholes models for the Experian Sharesave Plans are as follows:

	2014	2013
Share price on grant date (£)	12.79	8.90
Exercise price (£)	10.23	7.12
Expected volatility (%)	24.7	29.6
Expected dividend yield (% p.a.)	1.9	2.5
Risk free interest rate (% p.a.)	0.8	0.5
Expected option life to exercise (years)	3.6	3.5
Fair value (£)	3.19	2.29

Reconciliation of movement in the number of options

	Number of options 2014 '000	Weighted average exercise price 2014 £	Number of options 2013 '000	Weighted average exercise price 2013 £
Outstanding at 1 April	3,126	5.15	4,333	4.67
New grants	370	10.23	487	7.12
Forfeitures	(119)	6.54	(135)	5.51
Exercises	(1,250)	4.15	(1,645)	4.46
Cancellations	(47)	8.21	(40)	6.05
Lapses	(12)	6.41	(30)	4.05
Transfers of employees during the year	5	4.64	-	n/a
Transfers in of employees with businesses	-	n/a	156	5.32
Outstanding at 31 March	2,073	6.51	3,126	5.15
Exercisable at 31 March	578	4.82	1,113	4.79

The weighted average market price of Experian plc shares in respect of options exercised during the year was £11.39 (2013: £9.79).

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

24 Share incentive plans (continued)

Options outstanding at the end of the year

Options outstanding at the end of the year had the following exercise prices and remaining contractual lives:

At 31 March 2014

Range of exercise prices £	Number of options '000	Weighted average exercise price £	Weighted average remaining lives	
			Expected years	Contractual years
3 to 4	87	3.57	0.3	1.5
4 to 5	474	4.69	0.2	3.7
5 to 6	174	5.31	-	2.2
6 to 7	576	6.18	0.6	1.0
7 to 8	425	7.12	1.7	2.1
10 to 11	337	10.23	2.7	3.2

At 31 March 2013

Range of exercise prices £	Number of options '000	Weighted average exercise price £	Weighted average remaining lives	
			Expected years	Contractual years
2 to 3	442	2.90	0.3	0.8
3 to 4	162	3.52	0.7	3.1
4 to 5	1,031	4.73	0.4	3.7
5 to 6	347	5.34	-	3.3
6 to 7	649	6.18	1.6	2.0
7 to 8	495	7.12	2.6	3.1

Share awards

Summary of arrangements and information relating to share grant valuation techniques

	Experian Performance Share Plan	Experian Co-Investment Plan
Nature	Grant of shares	Grant of shares ³
Vesting conditions:		
- Service period	3 years	4 years
- Performance/Other	75% - Benchmark profit performance of Experian plc Group assessed against specified targets ¹ 25% - Distribution percentage determined by ranking Total Shareholder Return ("TSR") relative to a comparator group ²	50% - Benchmark profit performance of Experian plc Group assessed against specified targets ⁴ 50% - cumulative operating cash flow of Experian plc Group ⁴
Assumed outcome at grant date	Benchmark profit – 82% to 100% TSR – Range from 45% to 52%	Benchmark profit – 82% to 100% Cumulative operating cash flow – 100%
Maximum term	3 years	3 years
Method of settlement	Share distribution	Share distribution
Expected departures (at grant date)	5% to 10% for conditional awards	5% to 10% for conditional awards

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

24 Share incentive plans (continued)

Share awards (continued)

¹ The Benchmark profit performance conditions for Experian Performance Share Plan awards are set out in the table below and require Experian plc Group's Benchmark profit before tax ('Benchmark PBT') growth per annum at the stated percentages over a three-year period. The period of assessment commences at the beginning of the financial year of grant. This is not a 'market-based' performance condition as defined by FRS 20. Some unconditional awards have been made since 1 April 2011 under this plan.

Experian plc Group's Benchmark PBT is defined as its profit before amortisation and impairment of acquisition intangibles, impairment of goodwill, acquisition expenses, adjustments to contingent consideration, exceptional items, financing fair value remeasurements, tax and discontinued operations. It includes the Experian plc Group's share of its continuing associates' pre-tax results.

² The Experian Performance Share Plan TSR condition is considered a 'market-based' performance condition as defined by FRS 20. In valuing the awarded shares, TSR is evaluated using a Monte Carlo simulation with historic volatilities and correlations for comparator companies measured over the 3 year period preceding valuation and an implied volatility for Experian plc.

³ The grant date is the start of the financial year in which performance is assessed. This is before the number of shares to be awarded is determined but the underlying value of the award is known, subject to the outcome of the performance condition. The value of awarded shares reflects the performance outcome assumed at the date of their issue to participants and is recognised over a four-year period.

⁴ The range of performance conditions for awards under the Experian Co-Investment Plan are set out below. The Benchmark profit performance condition (the 'profit condition') requires Benchmark PBT growth at the stated percentages over a three-year period. The cumulative operating cash flow performance condition (the 'cash flow condition') is based on Experian plc Group's cumulative operating cash flow over a three-year period. These are not 'market-based' performance conditions as defined by FRS 20.

Year of award	Profit condition		Cash flow condition	
	Target	Maximum	Target	Maximum
Year ended 31 March 2014	7%	14%	US\$3,800m	US\$4,200m
Year ended 31 March 2013	7%	14%	US\$3,700m	US\$4,100m
Year ended 31 March 2012	7%	14%	US\$3,000m	US\$3,400m

Share grants are valued by reference to the market price on the day of award with no modification made for dividend distributions or other factors as participants are entitled to dividend distributions on awarded shares. Market-based performance conditions are included in the fair value measurement on grant date and are not revised for actual performance.

Movement in number of share awards outstanding - Number of awards

	2014 '000	2013 '000
At 1 April	2,074	1,768
New grants	855	823
Forfeitures	(105)	(87)
Vesting	(577)	(521)
Transfers of employees during the year	10	-
Transfers in of employees with businesses	-	91
At 31 March	2,257	2,074

Share awards granted during the year had a weighted average award fair value of £12.05 (2013: £8.91).

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

24 Share incentive plans (continued)

Summary of total cost of share-based compensation, included in staff costs

	2014 £m	2013 £m
Share options	0.9	1.0
Share awards	4.7	4.6
Expense recognised (all equity-settled)	5.6	5.6
Related social security costs	0.7	1.2
Total expense recognised (all equity-settled)	6.3	6.8

25 Acquisition – transfer of trade

With effect from the close of business on 31 March 2014, The 41st Parameter, Ltd. transferred its business, undertaking and assets to the Company. Experian Limited has undertaken to assume, satisfy and discharge its debts and liabilities, which amounted to less than £0.1m. The assets were transferred at their existing book values, which were less than £0.1m, and no profit or loss arose on the transfer.

26 Related party transactions

No significant amounts were owed to non-wholly-owned subsidiaries of the Group at 31 March 2014 or 2013.

As part of its activities, the Company provides some rights to intellectual property, and IT development and support services, to certain subsidiaries of the Group. It either charges those companies software licence fees, royalties or recharges costs to them for the services provided. Amounts owed by group undertakings shown in note 13 include the following sums due by subsidiaries of the Group which were not wholly-owned.

	2014 £m	2013 £m
Experian Micro Analytics SAM	0.5	0.1
Experian Bureau de Credito S.A.	0.9	-
Experian Decision Analytics Srl	1.3	0.5
Experian South Africa (Pty) Limited	2.9	7.4
Experian Service Maroc	0.5	2.0

Charges made to those and other non-wholly owned companies are as summarised below.

	2014 £m	2013 £m
Experian Bureau de Credito SA - recharges of costs and software licence fees	0.9	0.9
Experian Decision Analytics Srl – royalties, management fees and recharges of costs	1.0	0.6
Experian South Africa (Pty) Limited – royalties and management fees/ recharges	2.4	5.9
Serasa SA – software licence fees (company wholly owned throughout 2014)	n/a	0.3
MCI-Experian Co Ltd – royalties (an associated undertaking throughout 2014)	-	0.1
Experian Service Maroc – software licence fees and cost recharges	0.3	0.9

Experian Limited

Notes to the financial statements (continued)

for the year ended 31 March 2014

27 Non-adjusting post balance sheet events

On 7 May 2014 the Company purchased, for a cash consideration, 100% of the issued ordinary shares of HD Decisions Limited, providers of decision analytics software.

On 1 October 2014 the Company purchased, for a cash consideration, 100% of the issued ordinary shares of X88 Software Limited, developers and providers of data management software.

An interim dividend of approximately £61.23 per share, whose total cost amounted to £30.0m, was paid on 27 June 2014 and is not included as a liability in these financial statements.

28 Immediate and ultimate parent undertaking and controlling party

The immediate parent undertaking is Experian Group Limited, incorporated in England and Wales.

The Company's ultimate parent undertaking and controlling party, Experian plc, is incorporated in Jersey. It is the parent company of the smallest and largest group in which the results of the Company for the year were consolidated and copies of its consolidated financial statements may be obtained from the Company Secretary, Experian plc, Newenham House, Northern Cross, Malahide Road, Dublin 17, Ireland.

29 Other subsidiary undertakings

Other subsidiary undertakings are wholly-owned and except where indicated, their voting shares are directly held, they draw up their financial statements to 31 March, and they are incorporated and registered in England and Wales.

	Incorporated in	Trade/status
192business Ltd		Dormant
ClarityBlue, Inc.	USA	Dormant
Experian Holdings EURL	France	Dormant
Experian Integrated Marketing Holdings Limited		Dormant
Experian Northern Ireland Limited	Northern Ireland	Dormant
Experian Services (2009) Limited		Dormant
FootFall France Sarl (indirectly held)	France	Counting systems
Garlik Limited		Dormant
International Communication & Data Limited		Dormant
LM Group Ltd		Dormant
QAS Limited		Dormant
Riskdisk Ltd		Dormant
Scorex (UK) Limited		Dormant
Tallyman Australia Pty Limited (indirectly held)	Australia	Non-trading
Tallyman Limited		Non-trading
Techlightenment Ltd		Dormant
The 41st Parameter, Ltd.		Non-trading
Tozan Limited		Dormant

The 41st Parameter, Ltd. ceased to trade with effect from the close of business on 31 March 2014.