

EXPERIAN LIMITED

(Registration No. London 653331)

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2004



DIRECTORS' REPORT

The directors present their report and the audited accounts for the year ended 31 March 2004.

DIRECTORS

The directors holding office during the year and subsequent to the Balance Sheet date, were as follows:

E M Barnes (resigned 11 October 2004)
 J W Peace
 J N Saunders
 R M Aubrook
 J L Barber
 I M Stewart
 P W Loe
 P T C Brooks
 R W Fiddis
 N Fine
 D P Coupe
 I McGregor (appointed 1 April 2003)
 R G Watkins (appointed 1 April 2003)
 M E Mason (appointed 1 September 2003)

ACTIVITIES

The company provides bureau and information services for consumer credit control, business information, direct marketing and credit account management.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Both the level of business and the year end financial position were satisfactory and the directors expect that the level of activity will again be increased during the present year.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 10. During the year, an interim dividend of £NIL (2003: £NIL) was paid. The directors propose a final dividend of £19,000,000 (2003: £29,000,000).

DIRECTORS' INTERESTS

At 31 March 2004, the directors had no interests in the shares of the company or any of its fellow subsidiary undertakings. The directors' interests in the shares of the ultimate parent undertaking, insofar as they are not disclosed in that company's accounts, are as follows:

	1 April 2003	31 March 2004
E M Barnes	30,000	30,322
J L Barber	Nil	31,352
P T C Brooks	1,746	1,781
R W Fiddis	7,877	12,358
N Fine	Nil	1,951
R G Watkins	Nil	7,813
M Mason	4,514	4,514

Executive Share Option Scheme

Details of options granted to directors in respect of the ordinary shares of GUS plc under that company's executive share option scheme, insofar as they are not disclosed in that company's accounts, are set out in the table overleaf. No options lapsed during the year.

DIRECTORS' REPORT (Continued)

	At 1 April 2003	Granted during year	At 31 March 2004	Exercise price	Period of Exercise
<u>J N Saunders</u>					
7 April 2000	66,542	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	91,398	-	91,398	612.7p	11 June 2004 - 10 June 2011
6 June 2002	45,941	-	45,941	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	48,852	48,852	675.5p	19 June 2006 - 18 June 2013
	<u>203,881</u>	<u>48,852</u>	<u>186,191</u>		
<u>R M Aubrook</u>					
7 April 2000	49,241	-	4,224	375.7p	7 April 2003 - 6 April 2010
11 June 2001	51,411	-	51,411	612.7p	11 June 2004 - 10 June 2011
6 June 2002	33,124	-	33,124	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	34,048	34,048	675.5p	19 June 2006 - 18 June 2013
	<u>133,776</u>	<u>34,048</u>	<u>122,807</u>		
<u>J L Barber</u>					
7 April 2000	53,234	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	52,635	-	52,635	612.7p	11 June 2004 - 10 June 2011
6 June 2002	33,912	-	33,912	653.0p	6 June 2005 - 5 June 2012
	<u>139,781</u>	<u>-</u>	<u>86,547</u>		
<u>I M Stewart</u>					
7 April 2000	29,811	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	37,946	-	37,946	612.7p	11 June 2004 - 10 June 2011
6 June 2002	24,448	-	24,448	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	24,722	24,722	675.5p	19 June 2006 - 18 June 2013
	<u>92,205</u>	<u>24,722</u>	<u>87,116</u>		
<u>P W Loe</u>					
7 April 2000	22,358	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	31,826	-	31,826	612.7p	11 June 2004 - 10 June 2011
6 June 2002	20,505	-	20,505	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	22,205	22,205	675.5p	19 June 2006 - 18 June 2013
	<u>74,689</u>	<u>22,505</u>	<u>74,536</u>		
<u>P T C Brooks</u>					
7 April 2000	28,651	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	35,498	-	35,498	612.7p	11 June 2004 - 10 June 2011
6 June 2002	30,934	-	30,934	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	31,997	31,997	675.5p	19 June 2006 - 18 June 2013
2 December 2003	-	4,418	4,418	757.0p	2 Dec 2006 - 2 Dec 2013
	<u>95,083</u>	<u>36,415</u>	<u>102,847</u>		
<u>R W Fiddis</u>					
7 April 2000	38,568	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	52,635	-	52,635	612.7p	11 June 2004 - 10 June 2011
6 June 2002	34,571	-	34,571	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	35,529	35,529	675.5p	19 June 2006 - 18 June 2013
	<u>125,774</u>	<u>35,529</u>	<u>122,735</u>		
<u>N Fine</u>					
7 April 2000	38,568	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	48,963	-	48,963	612.7p	11 June 2004 - 10 June 2011
6 June 2002	32,159	-	32,159	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	32,568	32,568	675.5p	19 June 2006 - 18 June 2013
	<u>119,690</u>	<u>32,568</u>	<u>113,690</u>		

DIRECTORS' REPORT (Continued)D P Coupe

7 April 2000	24,594	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	34,274	-	34,274	612.7p	11 June 2004 - 10 June 2011
6 June 2002	22,082	-	22,082	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	22,945	22,945	675.5p	19 June 2006 - 18 June 2013
	<u>80,950</u>	<u>22,945</u>	<u>79,301</u>		

M E Mason

7 April 2000	46,600	-	5,985	375.7p	7 April 2003 - 6 April 2010
11 June 2001	28,574	-	28,574	612.7p	11 June 2004 - 10 June 2011
6 June 2002	26,811	-	26,811	653.0p	6 June 2005 - 5 June 2012
23 Dec 2002	31,602	-	31,602	554.0p	23 Dec 2005 - 22 Dec 2012
2 Dec 2003	-	26,420	26,420	757.0p	2 Dec 2006 - 2 Dec 2013
	<u>133,587</u>	<u>26,420</u>	<u>119,392</u>		

R G Watkins

7 April 2000	25,552	-	-	375.7p	7 April 2003 - 6 April 2010
11 June 2001	33,050	-	33,050	612.7p	11 June 2004 - 10 June 2011
6 June 2002	22,205	-	22,205	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	23,686	23,686	675.5p	19 June 2006 - 18 June 2013
	<u>80,807</u>	<u>23,686</u>	<u>78,941</u>		

I McGregor

6 June 2002	16,845	-	16,845	653.0p	6 June 2005 - 5 June 2012
19 June 2003	-	17,246	17,246	675.5p	19 June 2006 - 18 June 2013
	<u>16,845</u>	<u>17,246</u>	<u>34,091</u>		

Details of options exercised during the year under the scheme which were granted on 7 April 2000 and became exercisable on 7 April 2003 are as follows: -

	No of Options Exercised	Exercise Date	Option Price
D P Coupe	24,594	18 June 2003	375.7p
P T C Brooks	28,651	24 June 2003	375.7p
J L Barber	53,234	20 June 2003	375.7p
R M Aubrook	43,517	28 August 2003	375.7p
	1,500	2 March 2004	375.7p
J N Saunders	66,542	12 June 2003	375.7p
I M Stewart	29,811	28 May 2003	375.7p
N Fine	7,985	30 May 2003	375.7p
	30,583	2 July 2003	375.7p
R W Fiddis	38,568	28 May 2003	375.7p
P W Loe	7,985	28 May 2003	375.7p
	14,373	2 June 2003	375.7p
M E Mason	40,615	9 December 2003	375.7p
R G Watkins	25,552	28 May 2003	375.7p

US Stock Option Plan

On 2 December 2003, P T C Brooks was granted 28,054 share options at an exercise price of 757p under the US Stock Option Plan. The options are subject to performance conditions and will become exercisable under the scheme as follows: 33% of the options mature on 2 December 2004, 66% of the options mature on 2 December 2005, and 100% will be exercisable between 2 December 2006 and 2 December 2009.

DIRECTORS' REPORT (Continued)**GUS ShareSave Scheme**

Details of options granted to directors in respect of the ordinary shares of GUS plc under that company's ShareSave option scheme, insofar as they are not disclosed in that company's accounts, are set out in the table below. Other than disclosed below, no options were exercised or lapsed during the year.

	At 1 April 2003	At 31 March 2004	Exercise Price	Period of Exercise
J N Saunders	4,394	4,394	384.0p)
R M Aubrook	4,394	4,394	384.0p) 1 May 2006 to
D P Coupe	4,394	4,394	384.0p) 31 October 2006
R G Watkins	4,394	4,394	384.0p)
P T C Brooks	2,522	2,522	384.0p)
R W Fiddis	2,522	2,522	384.0p) 1 May 2004 to
N Fine	2,522	2,522	384.0p) 31 October 2004
P W Loe	2,522	2,522	384.0p)
M E Mason	2,522	2,522	384.0p)
I M Stewart	2,522	2,522	384.0p)

All options were granted on 9 February 2001.

Executive Long Term Incentive Plan

Details of awards under the Executive Long Term Incentive Plan, which takes the form of a deferred right to acquire shares at no cost to the participant or to take part in cash, insofar as they are not disclosed in that company's accounts, are detailed below. The vesting of these awards in April 2003 were subject to the achievement of performance targets of Experian UK and International over a three year period, which were met.

	Shares awarded on 13 April 2000	Vesting date	No of Shares Vested During Year	At 31 March 2004
J N Saunders	41,589	April 2003	41,589	Nil
R M Aubrook	24,621	April 2003	24,621	Nil
P T C Brooks	14,325	April 2003	14,325	Nil
D P Coupe	12,297	April 2003	12,297	Nil
R W Fiddis	19,284	April 2003	19,284	Nil
N Fine	14,463 *Note 1	April 2003	14,463	Nil
P Loe	11,179	April 2003	11,179	Nil
I M Stewart	14,906	April 2003	14,906	Nil
R G Watkins	12,776	April 2003	12,776	Nil

Note 1: N Fine opted to take £18,113 of his award in cash in addition to the shares detailed above.

DIRECTORS' REPORT (Continued)**GUS Performance Share Plan**

Details of awards under the GUS Performance Share Plan, which takes the form of a deferred right to acquire shares at no cost to the participant, insofar as they are not disclosed in that company's accounts, are detailed below. The vesting of these awards is subject to performance conditions as detailed in the financial statements of GUS plc.

	Awards at 1 April 2003 or date of appointment	Shares Awarded During Year	Vesting Date	Shares Released During Year	Awards at 31 March 2004
<u>J N Saunders</u>					
31 July 2002	31,645		July 2005		31,645
19 June 2003		24,426	July 2006		24,426
<u>R M Aubrook</u>					
19 June 2003		17,024	July 2006		17,024
<u>P T C Brooks</u>					
19 June 2003		16,059	July 2006		16,059
<u>D P Coupe</u>					
19 June 2003		11,472	July 2006		11,472
<u>R W Fiddis</u>					
19 June 2003		17,764	July 2006		17,764
<u>N Fine</u>					
19 June 2003		16,284	July 2006		16,284
<u>P W Loe</u>					
19 June 2003		11,102	July 2006		11,102
<u>M E Mason</u>					
1 April 2000	37,280		April 2003	37,280	Nil
11 June 2001	14,281		June 2004		14,281
<u>I McGregor</u>					
19 June 2003		8,623	July 2006		8,623
<u>I M Stewart</u>					
19 June 2003		12,361	July 2006		12,361
<u>R G Watkins</u>					
19 June 2003		11,843	July 2006		11,843

DIRECTORS' REPORT (Continued)**Co-investment Plan**

Under the Co-investment plan directors are given the opportunity to defer receipt of part of their annual bonus and have it invested in GUS shares. The number of shares acquired on behalf of the directors is matched, on a sliding scale, depending on the achievement against target for the relevant financial year. The number of matching shares may vary from a ratio of one half for one to a maximum of two for one. Details of shares purchased on their behalf and any matching shares awarded under this plan in respect of prior year bonuses, insofar as they are not disclosed in that company's accounts, are shown below.

	At 1 April or date of appointment		Awarded During Year		At 31 March 2004	
	Invested	Matched	Invested	Matched	Invested	Matched
<u>J N Saunders</u>						
17 June 2002	5,839	15,573			5,839	15,573
20 June 2003			18,132	56,027	18,132	56,027
<u>R M Aubrook</u>						
17 June 2002	3,649	9,733			3,649	9,733
20 June 2003			13,073	40,394	13,073	40,394
<u>P T C Brooks</u>						
17 June 2002	2,346	6,257			2,346	6,257
20 June 2003 (US)			17,346	27,933	17,346	27,933
<u>D P Coupe</u>						
17 June 2002	1,946	5,191			1,946	5,191
20 June 2003			3,845	13,035	3,845	13,035
<u>R W Fiddis</u>						
17 June 2002	3,736	9,964			3,736	9,964
20 June 2003			11,839	38,085	11,839	38,085
<u>N Fine</u>						
17 June 2002	3,476	9,269			3,476	9,269
20 June 2003			11,013	35,427	11,013	35,427
<u>P W Loe</u>						
17 June 2002	1,807	4,820			1,807	4,820
20 June 2003			3,570	12,104	3,570	12,104
<u>M E Mason</u>						
17 June 2002	1,235	1,647			1,235	1,647
<u>I McGregor</u>						
20 June 2003			2,933	9,943	2,933	9,943
<u>I M Stewart</u>						
20 June 2003			4,257	14,431	4,257	14,431

Contracts

There were no contracts of significance subsisting during or at the end of the financial year in which a director of the company was materially interested.

DIRECTORS' REPORT (Continued)**EMPLOYMENT OF DISABLED PERSONS**

The company's policy and practice is to encourage and assist the employment of disabled people, their recruitment, training and promotion and the retention of employees who become disabled, having regard to the requirements and demands of employment opportunities which are available.

EMPLOYEE INVOLVEMENT

It has been the established practice of the company for many years by way of a formal corporate communications programme, together with staff meetings on a broader scale, to disclose to staff at all levels information on matters of concern to them as employees.

These activities are also an essential requirement of management in achieving a common awareness by all employees of the financial and economic factors affecting the performance of the company and will, as a matter of policy, continue to be so.

PAYMENT OF SUPPLIERS

It is the policy of the company to pay for the supply of goods and services to ensure that all payments in general are made in accordance with its standard terms and conditions of purchase when agreeing the terms of each transaction and, where appropriate, other contractual and legal obligations.

At 31 March 2004 the amount due to trade creditors by the company represented 21 days (2003: 23 days) of purchases during the year.

CHARITABLE DONATIONS

During the year the company made donations to United Kingdom charitable organisations amounting to £31,253 (2003: £23,637). Of this total £20,000 (2003: £20,000) was made by way of the GUS Charitable Trust, a charity registered for this purpose.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Experian carefully considers its impact on society and reports its progress in the annual CSR Report of its parent company, GUS plc. Particular priorities are community, environment and employees.

Experian works closely with its local communities to understand and address local needs. Funding decisions are made democratically by representatives from across the business.

Environmental management at Experian is the responsibility of an Environmental Steering Group. Experian Limited obtained ISO 14001 certification in September 2003.

Experian 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 GUS Corporate Social Responsibility Report for 2004 can be found at www.gusplc.com.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently to the accounts, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 2004. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company, and to prevent and detect fraud and other irregularities.

DIRECTORS' REPORT (Continued)

STATUTORY DISPENSATION

The company has in force, under section 379A of the Companies Act 1985 an election dispensing with the laying of accounts and reports before the company in General Meeting, the holding of an Annual General Meeting and the obligation to appoint auditors annually.

By order of the Board

M A Clarke

Melanie Clarke
Secretary
18 January 2005

Registered office:
Talbot House, Talbot Street, Nottingham NG80 1TH

Independent auditors' report to the members of Experian Limited

We have audited the financial statements on pages 10 to 25.

Respective responsibilities of directors and auditors

The directors' responsibility for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 7.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' Report.


Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
East Midlands

18 January 2005

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £'000	2003 £'000
TURNOVER	2	306,851	282,110
Cost of sales		(157,461)	(143,597)
GROSS PROFIT		149,390	138,513
Selling and distribution costs		(17,829)	(15,831)
Administrative expenses (including exceptional items of £26,443,000 (2003: £6,546,000) (Note 5))		(91,556)	(66,028)
OPERATING PROFIT		40,005	56,654
Profit on disposal of investment in subsidiary	12	1,210	-
Investment income	3	2,404	595
Interest payable	4	(579)	(223)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	43,040	57,026
Taxation	8	(14,364)	(19,168)
PROFIT FOR THE FINANCIAL YEAR		28,674	37,858
Equity dividends	9	(19,000)	(29,000)
RETAINED PROFIT FOR THE YEAR	21	9,674	8,858
STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES			
Profit for the financial year		28,674	37,858
Exchange differences		-	42
Dividend		(19,000)	(29,000)
Total recognised gains and losses for the year		9,674	8,900

All operations relate to continuing operations.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalent.

BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004 £'000	2003 £'000
FIXED ASSETS			
Intangible fixed assets	10	37,322	35,698
Tangible fixed assets	11	30,531	31,455
Investments	12	35,221	36,211
		<hr/>	<hr/>
		103,074	103,364
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks and work in progress	13	96	112
Debtors: amounts falling due within one year	14	212,447	171,039
Debtors: amounts falling due after one year	15	2,702	2,702
Cash at bank and in hand		1,073	15,849
		<hr/>	<hr/>
CURRENT LIABILITIES		216,318	189,702
Creditors: amounts falling due within one year	16	(179,988)	(169,488)
		<hr/>	<hr/>
NET CURRENT ASSETS		36,320	20,214
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		139,404	123,578
Creditors: amounts falling due after one year	17	(5,693)	(4,101)
Provisions for liabilities and charges	18	(5,692)	(1,132)
		<hr/>	<hr/>
NET ASSETS		<u>128,019</u>	<u>118,345</u>
CAPITAL AND RESERVES			
Called up share capital	20	490	490
Share premium account	21	320	320
Capital redemption reserve	21	5	5
Profit and loss account	21	127,204	117,530
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS		<u>128,019</u>	<u>118,345</u>

The financial statements on pages 10 to 25 were approved by the Board of Directors on 18 January 2005 and were signed on its behalf by:



J N Saunders
DIRECTOR

Notes To The Accounts For The Year Ended 31 March 2004**1 Accounting Policies**

The financial statements have been prepared in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom. The principal accounting policies, which are summarised below, have been consistently applied.

a) Basis of accounting

The accounts have been prepared under the historical cost basis of accounting. As permitted by Section 228(1) of the Companies Act 1985, group accounts have not been included in these financial statements.

In accordance with Financial Reporting Standard 18 'Accounting Policies', 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.

b) Cash flow statement

As described in note 26 the company is a wholly owned subsidiary of GUS plc and the cash flows of the company are included in that company's consolidated cash flow statement. Consequently the company is exempt under the terms of Financial Reporting Standard ("FRS") 1 from publishing a cash flow statement.

c) Intangible fixed assets

Databases comprise the data purchase and capture costs of internally developed databases, for use by customers 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, which are regularly updated, 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 the requirements of 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.

d) Tangible fixed assets

Fixed assets are shown at cost.

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:

Plant and machinery	-	3 to 5 years
Fixtures and fittings	-	5 to 10 years
Leased assets	-	Period of the lease or expected useful life, if shorter

e) Leased assets

Fixed assets held under finance leases are capitalised. The finance charges are allocated using the actuarial method over the primary period of the lease at a constant rate of interest on the capital element outstanding. Costs in respect of operating leases are charged to the profit and loss account as incurred.

Notes To The Accounts For The Year Ended 31 March 2004 (Continued)**f) Investments**

Investments in group companies are valued at cost less any provisions necessary for permanent diminution in value.

g) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. The costs on long term contracts not yet taken to the profit and loss account less related foreseeable losses and payments on account are included in work in progress.

h) Deferred taxation

In accordance with Financial Reporting Standard 19 'Deferred Tax', full provision is made for deferred tax arising on all timing differences.

i) Turnover

Turnover comprises the value of services (excluding value added tax) performed in the normal course of business, and includes the value of long term contract work done. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty.

j) Pension costs and post retirement benefits

The company provides pension benefits to eligible employees through membership of a defined benefit pension plan operated by its parent company. The plan 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, which is based on pension costs across the group as a whole, is charged to profit and loss account as contributions are paid to GUS plc in respect of the pension scheme in accordance with recommendations made by qualified actuaries.

The cost of providing other post retirement benefits for pensioners is recognised on a basis similar to that adopted for pensions.

A defined contribution scheme, also operated by the parent company, is in place for employees not eligible to enter the defined benefit plan. The costs are recognised in the profit and loss account as incurred.

k) Foreign currency translation

Differences on exchange arising in respect of borrowings that are funding overseas investments are taken to reserves and reported in the Statement of Total Recognised Gains and Losses. All other foreign exchange differences are taken to the profit and loss account in the year in which they arise.

l) Goodwill

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 over its estimated useful life, up to a maximum of 20 years. Immediate provision is made for permanent diminution in value.

m) Interest

Interest receivable and payable is recognised on an accruals basis.

n) Dividend income

Dividend income is accrued when subsidiary undertakings have proposed dividends relating to the relevant financial year.

o) Deferred consideration payable

Where the consideration for the acquisition of a business includes specific, non-interest bearing cash payments due after more than one year, the liability is recorded at its present value. The discount rate used approximates that which a lender would typically require for a similar transaction.

Notes to the accounts for the year ended 31 March 2004 (continued)**2 TURNOVER**

An analysis of turnover by geographical market and the analysis of turnover and profit before taxation by class of business has not been given. In accordance with SSAP 25, full analysis is given in the consolidated accounts of the ultimate parent undertaking.

3 INVESTMENT INCOME

	2004 £'000	2003 £'000
Dividends receivable from group undertakings	900	316
Interest receivable from other group undertakings	244	244
Other dividends receivable	1,260	-
Bank deposit and other interest	-	35
	<u>2,404</u>	<u>595</u>

4 INTEREST PAYABLE

	2004 £'000	2003 £'000
On finance leases	420	220
Other interest – to other group undertakings	-	3
Unwinding of discount on deferred consideration	159	-
	<u>579</u>	<u>223</u>

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	2004 £'000	2003 £'000
Exceptional items		
Special pension contribution (note 23c)	26,443	-
Write down of goodwill (note 25)	-	6,546
	<u>26,443</u>	<u>6,546</u>
Depreciation charge for the year:		
- intangible fixed assets	14,758	18,381
- tangible owned fixed assets	10,053	5,736
- tangible fixed assets held under finance leases	4,176	3,393
Auditors' remuneration - Audit fee	95	95
Auditors' remuneration - Other UK fees	30	164
Staff costs (see note 6, including exceptional cost of £26,443,000 in 2004)	156,296	122,345
Operating leases:		
- property	4,602	3,558
- plant & equipment	3,131	4,454
Research and development	<u>2,315</u>	<u>1,098</u>

Notes to the accounts for the year ended 31 March 2004 (continued)**6 STAFF COSTS AND EMPLOYEES**

Particulars of employees (including executive directors) are as shown below:

Staff costs during the year:

	2004 Full Time £'000	2004 Part Time £'000	2003 Full Time £'000	2003 Part Time £'000
Wages and salaries	108,318	1,253	101,812	1,073
Social security costs	9,576	101	9,083	96
Other pension costs (including in 2004 an exceptional cost of £26,443,000 – see Note 23c)	37,048	-	10,281	-
	<u>154, 942</u>	<u>1,354</u>	<u>121,176</u>	<u>1,169</u>

The average weekly number of persons employed by the company during the year was as follows:

	2004 Number Employed		2003 Number Employed	
	Full Time	Part Time	Full Time	Part Time
Production	2,628	538	2,603	541
Distribution/sales	255	32	231	10
Administrative	248	9	371	42
	<u>3,131</u>	<u>579</u>	<u>3,205</u>	<u>593</u>

7 DIRECTORS' REMUNERATION

	2004 £'000	2003 £'000
Aggregate emoluments (excluding pension contributions)	<u>3,303</u>	<u>2,276</u>

Three directors are remunerated by other group companies and it is not practicable to allocate a charge for their services between the group companies they serve. Retirement benefits are accruing to nine (2003: seven) directors under a defined benefit scheme. Eleven (2003: None) directors exercised share options in the year. Eleven (2003: Eight) directors are eligible for shares under long term incentive schemes.

Highest paid director:

Emoluments (excluding pension contributions)	689	607
Defined benefit pension scheme:		
Accrued pension at end of year	<u>168</u>	<u>174</u>

The highest paid director exercised share options during the year and received shares under long term incentive schemes.

Notes to the accounts for the year ended 31 March 2004 (continued)**8 TAXATION**

	2004 £'000	2003 £'000
Analysis of charge in the year:		
Current tax:		
UK corporation tax	20,130	19,997
Adjustments in respect of prior years	1,570	(98)
Double tax relief	(354)	-
Overseas tax	84	124
Total current tax	21,430	20,023
Deferred tax:		
Origination and reversal of timing differences	(7,676)	(2,016)
Adjustment in respect of prior year	612	1,161
Total deferred tax	(7,064)	(855)
Tax on profit on ordinary activities	14,366	19,168
Factors affecting tax charge for the year:		
Profit on ordinary activities before tax	43,040	57,026
Profit on ordinary activities multiplied by standard rate of corporation tax of 30%	12,912	17,108
Effects of:		
Dividend income not liable to taxation	(378)	(95)
Sale of investment not liable to taxation	(363)	-
Adjustments in respect of prior periods - UK Tax	1,570	(98)
- Overseas Tax	-	124
Double tax relief	(270)	-
Expenses not deductible for tax purposes	283	968
Other timing differences	7,676	2,016
Current tax charge for the year	21,430	20,023

9 EQUITY DIVIDENDS

	2004 £'000	2003 £'000
Ordinary:		
Final – proposed (at £38.79 (2003:£59.20) per share)	19,000	29,000

Notes to the accounts for the year ended 31 March 2004 (continued)**10 INTANGIBLE FIXED ASSETS**

The intangible fixed assets comprise goodwill, databases which are used by customers and deferred development costs of commercially exploitable systems. Movements during the year were:

Cost	Goodwill £'000	Databases £'000	Deferred Development Expenditure £'000	Total £'000
At 1 April 2003	-	70,442	38,682	109,124
Additions	6,300	8,482	2,500	17,282
Disposals	-	-	(900)	(900)
At 31 March 2004	6,300	78,924	40,282	125,506
Depreciation				
At 1 April 2003	-	54,148	19,278	73,426
Charge for the year	480	7,589	6,689	14,758
At 31 March 2004	480	61,737	25,967	88,184
Net book value				
At 31 March 2004	5,820	17,187	14,315	37,322
At 31 March 2003	-	16,294	19,404	35,698

Notes to the accounts for the year ended 31 March 2004 (continued)**11 TANGIBLE FIXED ASSETS**

	Plant And Machinery £'000	Fixtures And Fittings £'000	Leased Assets £'000	Total £'000
Cost				
At 1 April 2003	40,424	28,646	34,986	104,056
Additions	10,388	3,577	-	13,965
Acquisition of business undertakings	16	-	-	16
Disposals	(904)	-	-	(904)
At 31 March 2004	49,924	32,223	34,986	117,133
Depreciation				
At 1 April 2003	29,440	15,831	27,330	72,601
Charge for the year	7,538	2,515	4,176	14,229
Acquisition of business undertakings	14	-	-	14
Disposals	(242)	-	-	(242)
At 31 March 2004	36,750	18,346	31,506	86,602
Net book value				
At 31 March 2004	13,174	13,877	3,480	30,531
At 31 March 2003	10,984	12,815	7,656	31,455

12 FIXED ASSET INVESTMENTS

	Subsidiary Undertakings £'000	Joint Venture £'000	Other Unquoted Investment £'000	Total Investment £'000
Shares at cost:				
At 1 April 2003	34,910	1,300	1	36,211
Disposals	(990)	-	-	(990)
At 31 March 2004	33,920	1,300	1	35,221

During the year, the company disposed of its 99.9% holding in Experian Information Solutions SPA for a consideration of £2.2m, generating a profit of £1,210,000.

Notes to the accounts for the year ended 31 March 2004 (continued)**12 FIXED ASSET INVESTMENTS (continued)**

The principal subsidiary undertakings are listed below. Except where indicated these subsidiaries are 100% owned, are incorporated and registered in the United Kingdom and have the same trading activity as the company.

Directly held:

Experian Goad (Holdings) Limited, (investment holding company).
 Vehicle Mileage Check Limited
 Experian Ireland Limited, incorporated and registered in Eire.
 FN Services Limited, 51% owned.
 Experian Intact Limited, 50.1% owned.
 MCL Software Limited
 Experian Business Strategies Holdings Limited
 Scorex (UK) Limited

Indirectly held:

Experian Goad Limited
 Experian Business Strategies Limited
 Construction Forecasting and Research Limited

The above subsidiary undertakings all draw up accounts to 31 March.

The principal joint venture undertaking, which is directly held, is as follows:

Motorfile Limited, incorporated and registered in the United Kingdom, 50% owned.

13 STOCKS AND WORK IN PROGRESS

	2004	2003
	£'000	£'000
Work in progress	96	112

14 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£'000	£'000
Trade debtors	59,203	52,045
Due from ultimate parent undertaking	93,932	61,782
Due from subsidiary undertakings	5,032	6,006
Due from fellow subsidiary undertakings	36,193	34,725
Due from joint venture undertaking	375	-
Prepayments and accrued income	8,055	13,888
Deferred taxation (see note 19)	9,657	2,593
	<u>212,447</u>	<u>171,039</u>

Notes to the accounts for the year ended 31 March 2004 (continued)**15 DEBTORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	2004 £'000	2003 £'000
Due from subsidiary undertaking	<u>2,702</u>	<u>2,702</u>

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £'000	2003 £'000
Bank overdraft	1,709	-
Trade creditors	6,236	3,744
Due to subsidiary undertakings	15,096	15,059
Due to fellow subsidiary undertakings	71,328	48,505
Due to joint venture undertaking	-	4,351
Corporation tax	18,948	21,596
Other taxation and social security	5,259	1,999
Proposed dividend (note 9)	19,000	29,000
Accruals and deferred income	40,488	42,339
Obligations under finance leases	1,924	2,895
	<u>179,988</u>	<u>169,488</u>

17 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2004 £'000	2003 £'000
Deferred consideration in respect of acquisitions	3,638	-
Obligations under finance leases	<u>2,055</u>	<u>4,101</u>
	<u>5,693</u>	<u>4,101</u>

Of the deferred consideration due on acquisitions set out above £1,267,000 falls due between one and two years, with the remainder falling due in less than five years

Of the finance lease obligations set out above, £1,332,000 (2003 £2,367,000) falls due between one and two years, with the remainder falling due in less than five years.

Notes to the accounts for the year ended 31 March 2004 (continued)**18 PROVISIONS FOR LIABILITIES AND CHARGES**

	Pension obligations	Other	TOTAL
	£'000	£'000	£'000
At 1 April 2003	-	1,132	1,132
Provision in the year	1,769	3,923	5,692
Utilisation of provision	-	(1,132)	(1,132)
At 31 March 2004	<u>1,769</u>	<u>3,923</u>	<u>5,692</u>

A provision of £1,132,000 was made in the year ended 31 March 2003, being the minimum unavoidable liability for rent and rates in respect of the unoccupied element of leasehold premises. This provision was fully utilised in the year ended 31 March 2004.

A provision of £1,769,000 was established in the year ended 31 March 2004, being a provision for executive pensions.

A provision of £3,923,000 was made in the year ended 31 March 2004, being the provision for closure of the call centre and remittance processing operations. The provision is expected to be utilised in the 2005 and 2006 financial years.

19 DEFERRED TAXATION

	Deferred Taxation Asset
	£'000
At 1 April 2003	2,593
Transfer from profit and loss account	<u>7,064</u>
At 31 March 2004	<u><u>9,657</u></u>

The deferred taxation asset and the amount unprovided are analysed as follows:

	2004 Asset Provided	2004 Asset Unprovided	2003 Asset Provided	2003 Asset Unprovided
	£'000	£'000	£'000	£'000
Accelerated capital allowances	1,808	-	369	-
Other short term timing differences	7,849	-	2,224	-
	<u>9,657</u>	<u>-</u>	<u>2,593</u>	<u>-</u>

Notes to the accounts for the year ended 31 March 2004 (continued)**20 CALLED UP SHARE CAPITAL**

	2004	2003
Authorised 505,000 ordinary shares of £1 each	£505,000	£505,000
	<hr/>	<hr/>
Allotted, called up and fully paid 489,850 ordinary shares of £1 each	£489,850	£489,850
	<hr/>	<hr/>

21 RESERVES

	Share Premium Account £'000	Capital Redemption reserve £'000	Profit and loss Account £'000	Total £'000
At 1 April 2003	320	5	117,530	117,855
Retained profit for the year	-	-	9,674	9,674
At 31 March 2004	<hr/> 320	<hr/> 5	<hr/> 127,204	<hr/> 127,529

22 MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £'000	2003 £'000
Profit for the financial year	28,674	37,858
Dividends	(19,000)	(29,000)
	<hr/> 9,674	<hr/> 8,858
Exchange differences	-	42
	<hr/> 9,674	<hr/> 8,900
Net addition to shareholders' funds	9,674	8,900
Opening shareholders' funds	118,345	109,445
Closing shareholders' funds	<hr/> 128,019	<hr/> 118,345

Notes to the accounts for the year ended 31 March 2004 (continued)**23 FINANCIAL COMMITMENTS**

	2004 £'000	2003 £'000
a) Capital commitments		
Contracted but not provided for	2,740	1,123
b) Lease commitments		

The company had annual commitments under non-cancellable operating leases as follows:

	2004 Land & Buildings £'000	2004 Plant & Equipment £'000	2003 Land & Buildings £'000	2003 Plant & Equipment £'000
Expiring within one year	861	318	3,501	1,316
Expiring within two to five years inclusive	6,282	2,717	984	951
	7,143	3,035	4,485	2,267

c) Pension and post retirement benefit commitments

The company provides pension benefits to eligible employees through membership of a defined benefit pension plan operated by its ultimate parent undertaking, GUS plc. The plan has rules which specify the benefits to be paid and is financed accordingly with assets being held in independently administered funds.

The total pension cost in relation to this scheme was £34,876,000 (2003: £8,129,000) including an exceptional special payment of £26,443,000 (2003: Nil) and this is based on pension costs across the group as a whole. The pension cost is assessed in accordance with the advice of a qualified actuary and the results of the latest valuation are reported in the accounts of GUS plc.

In addition, a money purchase plan exists for employees not eligible to join the above defined benefit plan. This plan is also operated by the ultimate parent undertaking. The total pension cost for this scheme was £2,172,000 (2003: £2,152,000).

In accordance with UITF Abstract 6, the company provides for obligations to pensioners for post retirement health care on a basis similar to that adopted for pension obligations. The actuarial value of the obligation has been determined in accordance with the advice of qualified actuaries and no cost was charged in the year (2003: £Nil). The principal assumption, used in determining the required provision, is that medical cost inflation would be 10% per annum for five years and 7% for the longer term.

Notes to the accounts for the year ended 31 March 2004 (continued)**23 FINANCIAL COMMITMENTS (Continued)****FRS17 Disclosure**

As stated previously, the company's employees participate in GUS plc pension schemes. It is not possible to identify the company's share of the underlying assets and liabilities in the group defined benefit pension scheme. In accordance with FRS17, although the company is a member of the GUS plc defined benefit pension scheme, contributions made by the company have been treated as if this were a defined contribution scheme. Full disclosures for the schemes can be found in the accounts of GUS plc, which can be obtained from the Secretary at GUS plc, One Stanhope Gate, London, W1K 1AF.

24 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under the terms of FRS 8 from disclosing transactions with other entities that fall within the group of companies owned 90% by the ultimate parent company.

During the year ended 31 March 2004, sales on normal trading terms of £9,703,000 (2003: £9,435,000) were made to Motorfile Limited, a joint venture investment and sales of £12,494,000 (2003: £10,862,000) were made on their behalf. As at 31 March 2004, debtors include £375,000 owed by Motorfile Limited (2003: creditors of £2,026,000 owed to Motorfile Limited).

During the year ended 31 March 2003, sales on normal trading terms of £414,000 were made to Scorex (UK) Limited prior to becoming a fully owned subsidiary.

During the year ended 31 March 2004, sales on normal trading terms of £12,040,000 (2003: £16,966,000) were made to FN Services Limited, a 51% owned subsidiary undertaking. As at 31 March 2004, debtors include £1,798,000 (2003: £3,513,000) due from FN Services Limited.

During the year ended 31 March 2004, sales on normal trading terms of £83,000 (2003: £82,000) were made to Experian Intact Limited and purchases of £895,000 (2003: £608,000) were made from Experian Intact Limited, a 50.1% owned subsidiary undertaking. As at 31 March 2004, debtors include £3,529,000 (2003: £3,311,000) due from Experian Intact Limited. Loan interest of £244,000 (2003: £243,000) was charged by Experian Limited during the year.

Details of the company's principal investment in joint ventures are set out in note 12.

25 ACQUISITIONS AND DIVESTMENTS

On 16 June 2003 the company acquired the trade of Yell Data, a UK based business-to-business marketing business for consideration with a fair value of £6,140,000, payable over five years. Fees of £144,000 were incurred on the transaction. No assets were acquired as part of the deal. Goodwill of £6,284,000 arose as a result of the transaction.

Inter group transfers

With effect from 1 April 2002, the trade, assets and liabilities of the customer contact management ("CCM") division of Reality Group Limited, and Choicepoint Limited were transferred to the company for a total consideration of £8,144,000.

With effect from 31 March 2004 the trade, assets and liabilities of Experian Goad Limited were transferred to Experian Limited, for a consideration of £93,000. The book value of the assets transferred, which represent their fair values, are set out below.

	£'000
Fixed Assets	2
Debtors	640
Creditors	(565)
Net assets transferred	<u>77</u>

As a consequence, purchased goodwill relating to inter group transfers of £16,000 (2003 - £6,546,000) arose in respect of these transfers.

Immediately following each transfer, the trading activities of these businesses were fully integrated with those of Experian Limited, to such an extent that it is no longer possible to identify the results of those activities for the current year. The integration of these trading activities has also meant that it is not possible to identify the cash flows associated with them such that an impairment review of goodwill arising on the transfers cannot be performed. As a result, the goodwill arising in each case has been fully written off to the profit and loss account in the year, in ordinary trading in 2004, but highlighted as an exceptional charge in 2003.

26 PARENT AND ULTIMATE PARENT UNDERTAKING

The company's immediate parent company is Experian Group Limited, a company incorporated in England and Wales.

The smallest group of undertakings in which the company is consolidated for which group accounts are prepared is GUS plc. Therefore the company is exempt from producing consolidated accounts.

The company's ultimate parent undertaking is GUS plc, which is registered in England and Wales. Copies of that company's consolidated financial statements may be obtained from the Secretary, GUS plc, One Stanhope Gate, London, W1K 1AF.