

01793902

**TMS INFORMATION SOLUTIONS LIMITED**

**(Registered No. 01793902)**

---

***For The Year Ended 31 December 2000***



# TMS INFORMATION SOLUTIONS LIMITED

## *Report of the Directors*

*For the year ended 31 December 2000*

The Directors submit their report with the financial statements for the year to 31 December 2000.

### **Results for the Year**

The Company has not carried out any activities nor made any gains or losses during the year. The Company ceased trading on 31 December 1999. On 1 January 2000 all assets (except fixed asset investments) liabilities and trading activities were transferred to the holding company, Parity Solutions Limited.

### **Principal Activities**

The Company is a dormant company.

### **Directors**

The Directors of the Company who held office during the year and subsequently are as follows:

I. O'Driscoll

A. Leyshon Appointed 1 October 2001

K. Jennings Resigned 17 April 2001

Alan P. G. Garvey Resigned 8 September 2000

Philip N. Ketteringham Resigned 18 February 2000

### **Directors' Interests**

None of the Directors had any interests in the share capital of the Company during the year.

At 31 December 2000 Mr. Jennings was a Director of Parity Group plc, the ultimate parent company, and his interests in the share capital of that company are shown in its Report and Accounts for the year ended 31 December 2000.

The interests of Mr. O'Driscoll in Parity Group plc, the ultimate holding company, were as follows:

	<i>At 31 December 2000</i>		<i>At 31 December 1999</i>		<i>Share Options</i>	
	<i>Ordinary shares of 5p each</i>	<i>Share Options</i>	<i>Ordinary shares of 5p each</i>	<i>Share Options</i>	<i>Granted</i>	<i>Exercised</i>
I. O'Driscoll	-	86,400	-	61,400	25,000	-

The share options shown above are exercisable between 3 and 10 years after the date on which they were granted. All options were issued at no cost. Those options granted during the year are exercisable at a price of £1.62, and options existing at 31 December 1999 at a price of £2.26.

On 29 April 1999 Mr. O'Driscoll exercised 75,000 options at 79p per share. The market price on exercise was 232p.

Mr. I. O'Driscoll had a savings contract open under the Scheme at the year end, which, when completed, will entitle him to purchase ordinary shares in Parity Group plc for 205p each, between 2003 and 2006. The maximum number of shares which he would be entitled to purchase on completion of the savings contract, is 1,890. At 31 December 2000, he had contributed £2,000 (1999: £800) under this Scheme.

*Report of the Directors continued*  
*For the year ended 31 December 2000*

---

**Directors' Responsibilities**

The Directors are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for that period and comply with the Companies Act 1985.

In preparing the financial statements the Directors are required to select suitable accounting policies and apply them consistently; make reasonable and prudent judgements and estimates; and state whether applicable accounting standards have been followed.

It is also the responsibility of the Directors to 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 also responsible for maintaining proper accounting records so as to enable them to comply with company law. The Directors have general responsibilities for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditors**

A resolution to re-appoint PricewaterhouseCoopers will be put to the members at the Annual General Meeting.

By order of the Board



Registered Office  
Wimbledon Bridge House  
1 Hartfield Road  
Wimbledon  
London  
SW19 3RU

30 October 2001

*Secretary*

Registered in England and Wales  
Company No. 01793902

*Auditors' Report to the Shareholders of  
TMS Information Solutions Limited*

---

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention, and the accounting policies set out on pages 7.

**Respective responsibilities of directors and auditors**

The Directors are responsible for preparing the annual report, including as described on page 3, the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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.

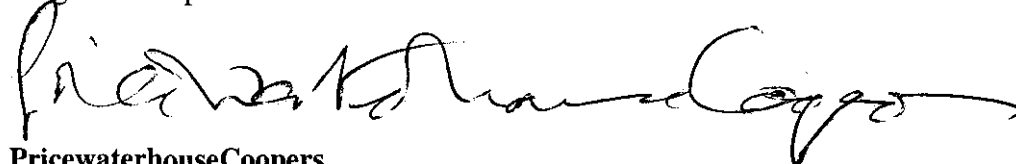
**Basis of audit opinion**

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 affairs of the Company as at 31 December 2000 and have been properly prepared in accordance with the United Kingdom Companies Act 1985.



**PricewaterhouseCoopers**  
Chartered Accountants and Registered Auditors  
1 Embankment Place  
London  
WC2N 6RH

# TMS INFORMATION SOLUTIONS LIMITED

## *Profit and Loss Account* *Year Ended 31 December 2000*

		<i>Year ended</i> <i>31 December 2000</i>	<i>9 months ended</i> <i>31 December 1999</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
TURNOVER	2	-	7,867,035
Cost of Sales		-	(5,450,306)
		<hr/>	<hr/>
Gross Profit		-	2,416,729
Administrative Expenses		-	(1,713,520)
		<hr/>	<hr/>
OPERATING PROFIT	3	-	703,209
Interest Payable (net)	6	-	(17,672)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	685,537
Tax on profit on ordinary activities	7	-	(217,728)
		<hr/>	<hr/>
PROFIT RETAINED FOR FINANCIAL PERIOD	16	-	467,809
		<hr/>	<hr/>

There were no recognised gains or losses other than the profit or loss for the period.  
The Company ceased trading on 31 December 1999.

The accompanying accounting policies and notes form an integral part of the financial statements.

# TMS INFORMATION SOLUTIONS LIMITED

## Balance Sheet Year Ended 31 December 2000

	Notes	31 December 2000 £	31 December 1999 £
<b>FIXED ASSETS</b>			
Tangible assets	8	-	539,112
Investments	9	<u>2</u>	<u>2</u>
		<u>2</u>	<u>539,114</u>
<b>CURRENT ASSETS</b>			
Stock & Work in Progress	10	-	40,601
Debtors	11	1,396,167	2,357,835
Cash at Bank and in Hand		<u>-</u>	<u>319,583</u>
		<u>1,396,167</u>	<u>2,718,019</u>
<b>CURRENT LIABILITIES</b>			
Amounts falling due within one year	12	<u>-</u>	<u>(1,843,405)</u>
<b>NET CURRENT ASSETS</b>		<u>1,396,167</u>	<u>874,614</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,396,169	1,413,728
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	<u>-</u>	<u>(17,559)</u>
		<u>1,396,169</u>	<u>1,396,169</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	289,619	289,619
Share premium account	15	124,339	124,339
Profit and loss account	15	<u>982,211</u>	<u>982,211</u>
<b>SHAREHOLDERS FUNDS</b>	16	<u>1,396,169</u>	<u>1,396,169</u>
Equity shareholders funds		1,396,169	1,002,211
Non-equity shareholders funds		<u>-</u>	<u>393,958</u>
		<u>1,396,169</u>	<u>1,396,169</u>

The financial statements were approved by the Board of Directors on 30 October 2001 and signed on its behalf by



**A. Leyshon**  
**Director**

The accompanying policies and notes form an integral part of the financial statements.

# TMS INFORMATION SOLUTIONS LIMITED

*Notes to the Accounts*  
*For the year ended 31 December 2000*

## 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

### **Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

### **Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT.

### **Cash flow statement and related party disclosures**

The Company is a wholly-owned subsidiary of Parity Group plc and is included in the consolidated financial statements of Parity Group plc, which are publicly available. Consequently the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of the Financial Reporting Standard 1 (revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8, from disclosing related party transactions with entities of the Parity Group or investees of the Group.

## 2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties. Turnover is attributed to one activity, that of management consulting and information development services.

An analysis of turnover by geographical market is below:

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
United Kingdom	-	6,536,010
Rest of Europe	-	1,265,004
North America	-	66,021
Africa and Asia	-	-
	-	7,867,035

# TMS INFORMATION SOLUTIONS LIMITED

Notes to the Accounts continued  
For the year ended 31 December 2000

## 3. OPERATING PROFIT

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Amortisation of leasehold improvements	-	4,590
Depreciation of owned fixed assets	-	144,990
Depreciation of assets held under finance leases and hire purchase contracts	-	50,087
Profit on disposal of fixed assets	-	15,874
Operating lease rentals		
Motor vehicles	-	28,391
Land and buildings	-	75,000
Foreign exchange losses	-	13,174

## 4. DIRECTORS EMOLUMENTS

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Emoluments	-	82,488
	-	82,488

None of the directors were remunerated by the Company in 2000.

## 5. STAFF COSTS

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Wages and salaries	-	1,279,838
Social security costs	-	135,210
	-	1,415,048

The average weekly number of employees during the period was as follows:

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	No.	No.
Administration	-	7
Marketing	-	4
Professional Services	-	45
	-	56

# TMS INFORMATION SOLUTIONS LIMITED

*Notes to the Accounts continued*  
*For the year ended 31 December 2000*

## 6. INTEREST PAYABLE / (RECEIVABLE)

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Bank and loans overdrafts	-	3,010
Finance charges payable under finance leases and hire purchase contracts	-	15,361
	-	18,371
Bank deposit account	-	(699)
	-	17,672

## 7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Based on the profit for the period:		
UK Corporation tax at 30% (1999 – 30%)	-	217,000
Under provision for previous years	-	728
	-	217,728

# TMS INFORMATION SOLUTIONS LIMITED

Notes to the Accounts continued  
For the year ended 31 December 2000

## 8. TANGIBLE FIXED ASSETS

	<i>Leasehold Improvements</i>	<i>Computers and Office Equipment</i>	<i>Motor Vehicles</i>	<i>Total</i>
	£	£	£	£
<b>Cost</b>				
At 1 January 2000	91,731	1,221,368	61,846	1,374,945
Additions	-	-	-	-
Transfers	(91,731)	(1,221,368)	(61,846)	(1,374,945)
At 31 December 2000	-	-	-	-
<b>Depreciation</b>				
At 1 January 2000	46,125	755,622	34,086	835,833
Provided during the period	-	-	-	-
Transfers	(46,125)	(755,622)	(34,086)	(835,833)
At 31 December 2000	-	-	-	-
<b>Net book value</b>				
At 31 December 2000	-	-	-	-
At 31 December 1999	45,606	465,746	27,760	539,112

Included in the amounts for fixed assets above are the following amounts relating to leased assets and assets acquired under hire purchase:

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Motor Vehicles	-	27,760
Computer Equipment	-	91,910
	-	119,670

## 9. INVESTMENTS

TMS Information Solutions Ltd owns the entire share capital of Information Mapping Limited which is a private company limited by shares and registered in the UK (Company No. 02799270).

Information Mapping Limited has never traded and as such TMS Information Solutions Ltd is exempt from preparing consolidated financial statements.

# TMS INFORMATION SOLUTIONS LIMITED

Notes to the Accounts continued  
For the year ended 31 December 2000

## 10. STOCK AND WORK IN PROGRESS

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Finished Goods	-	39,179
Work in progress	-	1,422
	<u>-</u>	<u>40,601</u>

## 11. DEBTORS

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Trade debtors	-	2,261,101
Prepayments and accrued income	-	96,734
Amounts owed by group companies	1,396,167	-
	<u>1,396,167</u>	<u>2,357,835</u>

## 12. CREDITORS: amounts falling due within one year

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Obligation under finance leases and hire purchases contracts	-	81,062
Amounts owed to Group Companies	-	381,837
Trade creditors	-	752,728
Corporation tax	-	153,493
Other taxes and social security	-	86,825
Accruals and deferred income	-	387,460
	<u>-</u>	<u>1,843,405</u>

## 13. CREDITORS: amounts falling due after more than one year

	<i>Year ended 31 December 2000</i>	<i>9 months ended 31 December 1999</i>
	£	£
Obligations under finance leases and hire purchase contracts	-	17,559
	<u>-</u>	<u>17,559</u>

# TMS INFORMATION SOLUTIONS LIMITED

Notes to the Accounts continued  
For the year ended 31 December 2000

## 14. SHARE CAPITAL

	Year ended 31 December 2000 £	9 months ended 31 December 1999 £
<b>Authorised</b>		
12,952 ordinary shares of £1 each	301,667	12,952
6,667 'A' ordinary shares of £1 each	-	6,667
7,048 'B' ordinary shares of £1 each	-	7,048
25,000 preferred ordinary shares	-	25,000
250,000 10.5% preference shares	-	250,000
	<u>301,667</u>	<u>301,667</u>
<b>Allotted, called up and fully paid</b>		
12,952 ordinary shares of £1 each	289,619	12,952
6,667 'A' ordinary shares of £1 each	-	6,667
7,048 'B' ordinary shares of £1 each	-	7,048
12,952 preferred ordinary shares	-	12,952
250,000 10.5% preference shares	-	250,000
	<u>289,619</u>	<u>289,619</u>

On 25 September 2000 the A and B ordinary shares and the preferred and preference shares were redesignated ordinary £1 shares.

The preference shares were non-equity shares and carried an entitlement to a dividend at the rate of 10.5% of the subscription price per annum payable twice yearly. The Holders of these shares waived their rights to dividends during the year.

Preference shareholders had the right on a winding-up to receive, in priority to any other class of shares, the sum of £1.00 per share, together with any arrears of dividend.

The 'A' ordinary shares were non-equity shares which carried an entitlement to a cumulative participating dividend of 8% of net profit earned in the relevant period. The holders of these shares were also entitled to receive a further cumulative preferential net cash dividend which, when added to the original entitlement, shall equal the aggregate of any ordinary dividend paid in the financial year on all ordinary shares held by directors and directors' emoluments in excess of £145,000 (net of tax at basic rate and index linked) payable in respect of the relevant financial year. The holders of the 'A' ordinary shares waived their rights to additional dividends during the year.

On winding-up the 'A' ordinary shares receive, in priority to the ordinary shares £1.00 per share and all arrears of dividend.

All ordinary shares have one vote for every share held.

# TMS INFORMATION SOLUTIONS LIMITED

Notes to the Accounts continued  
For the year ended 31 December 2000

## 15. RESERVES

	<i>Profit and loss account</i> £	<i>Share premium</i> £
Balance at 1 January 2000	982,211	124,339
Retained profit for the period	-	-
	<hr/>	<hr/>
Balance at 31 December 2000	982,211	124,339

## 16. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Year ended 31 December 2000</i> £	<i>9 months ended 31 December 1999</i> £
Shareholders' funds at 1 January 2000	1,396,169	928,360
Profit for the period after taxation	-	467,809
	<hr/>	<hr/>
Shareholders' funds at 31 December 2000	1,369,169	1,369,169

## 17. LEASE COMMITMENTS

Annual commitments under operating leases were as follows:

	<i>Year ended 31 December 2000</i>		<i>9 months ended 31 December 1999</i>	
	<i>Land and Buildings</i> £	<i>Other</i> £	<i>Land and Buildings</i> £	<i>Other</i> £
Within one year	-	-	-	33,927
Between one and two years	-	-	-	-
Between one and five years	-	-	-	-
In five years or more	-	-	100,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	100,000	33,927

## 18. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Parity Solutions Limited.

The ultimate parent undertaking and controlling party is Parity Group plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of the Parity Group plc consolidated financial statements for the year ended 31 December 2000 can be obtained from the Company Secretary at 16 St Martin's Le Grand, London, EC1A 4NA.