

EXPERIAN BUSINESS STRATEGIES LIMITED

(Registration No. London 02225244)

**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 were as follows:

Mr R M Aubrook

Mr I McGregor

ACTIVITIES

The company provides economic forecasting and reporting consultancy services.

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 be increased for the present year.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 4.

During the year, no interim dividend was paid (2003:Nil). The directors do not propose a final dividend.

DIRECTORS' INTERESTS**Shares/Share Options**

At 31 March 2004, the directors had no interests in the shares of the company or any of its fellow subsidiary undertakings.

R Aubrook and I McGregor are also directors of Experian Limited and their interests in the ultimate parent undertaking, GUS plc, are disclosed in the accounts of Experian Limited, which is a parent undertaking of the Company and a wholly-owned subsidiary of GUS plc.

Contracts

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

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 and loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently 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.

DIRECTORS REPORT (continued)

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.

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.

Registered office:

Talbot House, Talbot Street, Nottingham, NG80 1TH

By order of the Board



M Clarke
Company Secretary
19 January 2005

Independent auditors' report to the members of Experian Business Strategies Limited

We have audited the financial statements on pages 4 to 14.

Respective responsibilities of directors and auditors

The directors' responsibilities 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 pages 1 and 2.

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 into 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 solely the directors' report.

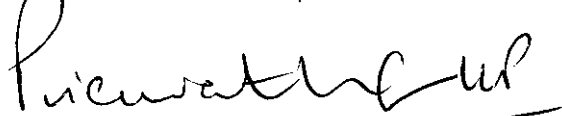
Basis of audit opinion

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
19 January 2005

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £'000	2003 £'000
TURNOVER – Continuing operations	2	4,871	3,148
Cost of sales		(228)	(204)
GROSS PROFIT		<u>4,643</u>	<u>2,944</u>
Administrative expenses		(3,803)	(2,687)
OPERATING PROFIT – Continuing operations		<u>840</u>	<u>257</u>
Interest payable		-	(8)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>840</u>	<u>249</u>
Taxation	6	(256)	(88)
RETAINED PROFIT FOR THE YEAR	16	<u>584</u>	<u>161</u>

The company has no recognised gains and losses other than those above and therefore no separate statement of total recognised gains and losses has been presented.

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

BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004 £'000	2003 £'000
FIXED ASSETS			
Intangible fixed assets	7	-	8
Tangible fixed assets	8	21	51
Fixed asset investments	9	-	-
		<u>21</u>	<u>59</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	1,838	1,249
Cash at bank and in hand		<u>33</u>	<u>147</u>
		1,871	1,396
CURRENT LIABILITIES			
Creditors : amounts falling due within one year	11	(937)	(1,079)
Net current assets		<u>934</u>	<u>317</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>955</u>	<u>376</u>
Creditors : amounts falling due after more than one year	12	-	(5)
NET ASSETS		<u>955</u>	<u>371</u>
CAPITAL AND RESERVES			
Called up share capital	14	52	52
Share Premium Account	15	81	81
Profit and loss account	15	822	238
EQUITY SHAREHOLDERS' FUNDS	16	<u>955</u>	<u>371</u>

The notes on pages 6 to 14 form an integral part of these financial statements.

The financial statements on pages 4 to 14 were approved by the Board of Directors on 19 January 2005 and were signed on its behalf by: -



I McGregor
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, with the exception of the restatement noted below.

a) Basis of Accounting and Changes to Accounting and Estimation Techniques

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.

The company continues to adopt FRS18 "Accounting Policies" in its financial statements for the year ended 31 March 2004.

b) Cash Flow Statement

The company's ultimate parent is GUS plc and the cash flows of the company are included in the consolidated cash flow statement of GUS plc, consequently the company is exempt under the terms of Financial Reporting Standard Number 1 from publishing a cash flow statement.

c) Intangible Fixed Assets

Intangible assets which consist of databases are shown at cost less accumulated amortisation.

Amortisation is provided at rates calculated to write off the cost on a straight-line basis over its expected useful life of 3 years.

d) Tangible Fixed Assets

Fixed assets are shown at cost less accumulated depreciation.

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 of 3 years.

e) Leased Assets

Leased assets held under finance leases are capitalised. The finance charges are allocated using the straight line 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.

f) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value.

g) Deferred Taxation

Full provision is made for Deferred Tax and all timing differences. Deferred Tax assets are only recognised to the extent that they are expected to be realised in the foreseeable future.

Notes to the accounts for the year ended 31 March 2004 (continued)**h) Turnover**

Turnover comprises the value of services (excluding value added tax) performed in the normal course of business.

i) Pension Costs and Post Retirement Benefits

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

The company provides pension benefits to eligible employees through membership of a defined benefit pension plan operated by its ultimate 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 the profit and loss account over the expected period of employment 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 ultimate 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.

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.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2004 £'000	2003 £'000
Depreciation charge for the year		
- intangible owned fixed assets	8	11
- tangible owned fixed assets	30	11
- tangible fixed assets held under finance leases	-	86
Auditors remuneration	10	11
Staff costs (see note 4)	3,105	2,171
Directors emoluments (including benefits)	-	133
(Profit)/Loss on disposal of fixed assets	(10)	3
Operating lease costs - property	-	50
	<hr/>	<hr/>

Notes to the accounts for the year ended 31 March 2004 (continued)
4. STAFF COSTS

Staff costs during the year (including directors) are shown below:

	2004 £'000	2003 £'000
Wages and salaries	2,761	1,931
Social security costs	197	144
Other pension costs	147	96
	<hr/> 3,105 <hr/>	<hr/> 2,171 <hr/>

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

	2004 Number Employed Full time	2003 Number Employed Full time
Production	-	-
Distribution / sales	36	34
Administration	3	3
	<hr/> 39 <hr/>	<hr/> 37 <hr/>

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account. The pension cost charge for the year was £18,500 (2003: £26,530).

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 that 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 £91,175 (2003: £54,400) 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 operated by the ultimate parent undertaking, GUS plc. The total pension cost for this scheme was £37,300 (2003: £14,840).

FRS17 Disclosure

As stated above, the Company employees participate in GUS plc Pensions 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 is 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 to GUS plc, One Stanhope Gate, London, W1K 1AF.

Notes to the accounts for the year ended 31 March 2004 (continued)**5. DIRECTORS REMUNERATION**

The current directors of Experian Business Strategies Limited are employed by Experian Limited and are remunerated by this company in respect of their services to the group as a whole. The former directors that resigned their posts in the prior year received the following remuneration up to the 9 July 2002:

	2004 £'000	2003 £'000
Aggregate emoluments (excluding pension contributions)	-	133
Highest paid director:		
Emoluments (excluding pension contributions)	-	48
Defined benefit pension scheme:	-	5

6. TAXATION CHARGE

Analysis of charge in the year

	2004 £'000	2003 £'000
Current tax:		
UK Corporation tax	252	105
Adjustment in respect of previous periods	(4)	5
Total Current Tax	248	110
Deferred tax:		
Adjustments for change in tax rate	4	2
Origination and reversal of timing differences	4	(24)
Total Deferred Tax	8	(22)
Tax on profit on ordinary activities	256	88

Notes to the accounts for the year ended 31 March 2004 (continued)**6. TAXATION CHARGE (continued)**

Factors affecting tax charge for the year:

The tax assessed for the period is lower (2003: higher) than the standard rate of corporation tax in the UK 30% (2003: 30%).

The differences are explained below:

Profit on ordinary activities before tax	840	249
Profit on ordinary activities multiplied by standard rate of corporation tax of 30%	252	75
Effects of:		
Expenses not deductible for tax purposes	4	6
Accelerated capital allowances and over depreciation	(4)	24
Adjustments to tax in respect of previous period	(4)	5
Current tax charge for the year	248	110

There are no significant matters affecting future tax charges.

7. INTANGIBLE FIXED ASSETS
Databases
£'000
COST:

At 1 April 2003 and at 31 March 2004

30

DEPRECIATION:

At 1 April 2003

22

Charge for year

8

Disposals

At 31 March 2004

30

NET BOOK VALUE:

At 31 March 2004

-

At 31 March 2003

8

Notes to the accounts for the year ended 31 March 2004 (continued)**8. TANGIBLE FIXED ASSETS**

	Office Equipment £'000	Leasehold Improvements £'000	Fixtures and Fittings £'000	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
COST:						
At 1 April 2003	18	16	37	157	35	263
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	(35)	(35)
At 31 March 2004	18	16	37	157	-	228
DEPRECIATION:						
At 1 April 2003	11	16	34	121	30	212
Charge for year	2	-	3	20	5	30
Disposals	-	-	-	-	(35)	(35)
At 31 March 2004	13	16	37	141	-	207
NET BOOK VALUE:						
At 31 March 2004	5	-	-	16	-	21
At 31 March 2003	7	-	3	36	5	51

The total cost of leased assets at 31 March 2004 was £36,000 (2003: £102,000) and accumulated depreciation was £32,000 (2003: £80,000) giving a Net Book Value of £4,000 (2003: £22,000).

9. FIXED ASSET INVESTMENTS

	Subsidiary Undertaking £'000
Shares at cost:	
At 1 April 2003 and 31 March 2004	-

The subsidiary undertakings are as follows:

Staniland Hall Associates Limited,
incorporated and registered in England, 100% owned - Dormant

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £'000	2003 £'000
Trade debtors	1,421	1,073
Due from parent undertakings	270	142
Prepayments and accrued income	138	17
Deferred Taxation (see note 13)	9	17
	<u>1,838</u>	<u>1,249</u>

Notes to the accounts for the year ended 31 March 2004 (continued)
11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £'000	2003 £'000
Trade creditors	65	8
Due to parent undertakings	-	234
Due to fellow subsidiaries	59	22
Corporation tax	200	105
Other taxation and social security	263	186
Obligations Under Finance Leases	4	29
Accruals and deferred income	346	485
Other creditors	-	10
	<hr/> 937	<hr/> 1,079
	<hr/>	<hr/>

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2004 £'000	2003 £'000
Finance Lease obligations	-	5
	<hr/> -	<hr/> 5
	<hr/>	<hr/>

Of the finance lease obligations above, £nil (2003: £5,000) falls due between one and five years.

13. DEFERRED TAXATION

	(Liability) / Asset £'000	
Balance at 1 April 2003		17
Profit and Loss Account		(8)
Balance at 31 March 2004		<hr/> 9
		<hr/>
Provision for Deferred Tax comprises	2004 Asset £'000	2003 Asset £'000
Accelerated capital allowances	9	19
Short term timing differences	-	(2)
	<hr/> 9	<hr/> 17
	<hr/>	<hr/>

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

	2004 £'000	2003 £'000
Authorised 520,000 ordinary shares of £0.10 each	52	52
	<hr/>	<hr/>
Allotted, called up and fully paid 520,000 ordinary shares of £0.10 each	52	52
	<hr/>	<hr/>

15. RESERVES

	Share Premium Account £'000	Profit and Loss account £'000	Total £'000
As at 31 March 2003	81	238	319
Retained profit for the financial year	-	584	584
	<hr/>	<hr/>	<hr/>
As at 31 March 2004	81	822	903
	<hr/>	<hr/>	<hr/>

16. MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £'000	2003 £'000
Profit for the financial year	584	161
	<hr/>	<hr/>
Net movement in shareholders' funds	584	161
Opening shareholders' funds	371	210
	<hr/>	<hr/>
Closing shareholders' funds	955	371
	<hr/>	<hr/>

Notes to the accounts for the year ended 31 March 2004 (continued)**17. RELATED PARTY TRANSACTIONS**

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

18. PARENT AND ULTIMATE PARENT UNDERTAKING

The company is a wholly owned subsidiary of Experian Business Strategies Holdings Limited which is registered in England and Wales.

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.