

Registered number
02631489

Thomson Financial Investor Limited

Report and Accounts

31 December 2002



Thomson Financial Investor Limited Directors' Report

The directors present their report and accounts for the year ended 31 December 2002.

Principal activities and future prospects

The company's principal activity was the provision of real time information to private investors through software packages, broadcast media and the internet.

With effect from 1 January 2002 the company sold its entire business to Thomson Financial Limited as a going concern for a consideration of £19,220,000. The company has not traded since that date. The directors do not envisage that the company will commence trading in the foreseeable future.

Results and dividends

The results for the year are set out in the profit and loss account on page 3. No dividend is proposed (2001: £Nil).

Directors

The directors of the company since 1 January 2002 are:

I Belinsky	(appointed 7 June 2002)
M R Jansen	(resigned 15 August 2002)
J M Malkin	
M Stanton	(resigned 7 June 2002)

None of the directors have any beneficial interest in the shares of the company or any other group companies.

Directors' responsibilities

The directors are required by UK company law to prepare accounts which give a true and fair view of the state of affairs of the company at the year end. In preparing the accounts, the directors are required to select suitable accounting policies, apply them consistently and make reasonable and prudent judgements and estimates. The directors are also required to prepare the accounts in accordance with applicable accounting standards. The directors are further responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the company to enable them to ensure that the financial statements comply with the Companies Act 1985, for taking reasonable steps in safeguarding the assets of the company and for preventing and detecting fraud and other irregularities. The directors confirm that they have complied with the above requirements in preparing the financial statements.

Auditors

The auditors PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

By order of the Board.



Ian Belinsky
Secretary

Date: *2nd May 2003*

Registered Office:

Aldgate House
33 Aldgate High Street
London EC3N 1DL

**Independent auditors' report
to the shareholders of Thomson Financial Investor Limited**

We have audited the financial statements which include the balance sheet, profit and loss account, statement of total recognised gains and losses and the related notes.

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.

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 opinion has been prepared for and only for the company's members 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 hand 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 affairs of the the company at 31st December 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

Date: 2nd May 2003

Thomson Financial Investor Limited
Profit and Loss Account
for the year ended 31 December 2002

	Notes	2002 £000	2001 £000
Turnover	2		
Discontinued operations		-	7,097
Cost of sales		-	(2,705)
Gross profit		-	4,392
Distribution costs		-	(240)
Administrative expenses		-	(4,555)
Operating loss	3	-	(403)
Interest receivable		-	137
Loss on ordinary activities before taxation		-	(266)
Tax on loss on ordinary activities	6	-	(120)
Retained loss for the financial year	14	-	(386)

The notes on pages 6 to 12 form part of these accounts.

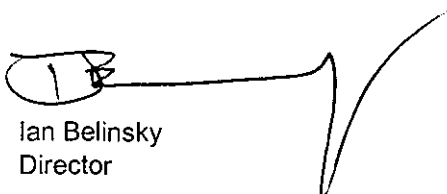
Thomson Financial Investor Limited
Statement of total recognised gains and losses
for the year ended 31 December 2002

	Notes	2002 £000	2001 £000
(Loss)/profit for the financial year		-	(386)
Unrealised profit on sale of business	4	-	17,442
 Total recognised gains and losses related to the year		 <u>-</u>	 <u>17,056</u>

Thomson Financial Investor Limited
Balance Sheet
as at 31 December 2002

	Notes	2002 £000	2001 £000
Fixed assets			
Intangible assets	7	-	6,657
Tangible assets	8	-	305
		-	6,962
Current assets			
Debtors	9	19,220	18,102
Cash at bank and in hand		-	3,667
		19,220	21,769
Creditors: amounts falling due within one year	10	-	(9,511)
Net current assets		19,220	12,258
		19,220	19,220
Capital and reserves			
Called up share capital	12	1,780	1,780
Profit and loss account	13	17,440	17,440
	14	19,220	19,220

Approved by the Board.


 Ian Belinsky
 Director

Date: 2nd May 2003

The notes on pages 6 to 12 form part of these accounts.

Thomson Financial Investor Limited
Notes to the Accounts
for the year ended 31 December 2002

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

As permitted by paragraph 5(a) of Financial Reporting Standard 1 (Revised) the company has not presented a cash flow statement.

As permitted by paragraph 3(c) of Financial Reporting Standard 8 the company has not disclosed any details of transactions or balances with other group companies.

Group accounts are not prepared as the company is a wholly owned subsidiary of another company incorporated in England and Wales.

Turnover

Turnover represents revenue receivable and the value of goods supplied and services rendered to third parties, net of VAT, and is stated after deduction of trade discounts and commissions. Revenue is recognised proportionately over the subscription period for products and services sold through a subscription.

Goodwill

Goodwill represents the excess of the cost of the investment in acquired businesses over values attributed to underlying net tangible assets and publishing rights. Goodwill is amortised over the shorter of its useful economic life and 20 years. The useful economic life is 10 years.

Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost and are depreciated on a straight line basis over their useful economic lives.

The estimated useful lives for depreciation purposes are as follows :

Office fittings	over 10 years
Office equipment	over 5 years
Computer equipment and software	over 3 years

Asset impairment

The net book amounts of intangible assets are reviewed by the directors periodically. Tangible fixed assets are tested for impairment when an event that might affect asset values has occurred. For both tangible and intangible fixed assets an impairment loss is recognised to the extent that the carrying amount cannot be recovered either by selling the assets or by the discounted future earnings from operating the assets.

Thomson Financial Investor Limited
Notes to the Accounts
for the year ended 31 December 2002

Deferred taxation

The company has adopted Financial Reporting Standard 19 Deferred Tax (FRS 19) with effect from 1 January 2002. Full provision is made for deferred taxation on all timing differences that are not permanent which have arisen but not reversed at the balance sheet date. 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 substantially enacted by the balance sheet date. Prior to the adoption of FRS 19, the company provided for deferred taxation only to the extent that it was probable that a liability or asset would crystallise in the foreseeable future. The adoption of the new policy has resulted in no change to the results and net assets of the company as previously reported.

Pensions

The company contributes to a group pension scheme operated by The Thomson Corporation PLC. Contributions and pension costs are based on pension costs across the group as a whole. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the company benefits from the employees' services. The effects of variations from regular costs are spread over the expected remaining working lifetime of members of the scheme after making suitable allowances for future withdrawals.

FRS17 addresses the measurement and valuation of retirement benefit pension schemes. It is not possible to identify the company's share of assets and liabilities in the scheme so it is accounted for as a multi-employer scheme as defined in FRS 17. Under these rules the company recognises its pension costs as they are charged to the profit and loss account in the period in which they are incurred. Any surplus or deficit that arises is taken into account when the actuary recommends a contribution rate. The Thomson Corporation PLC has met all the disclosures required to comply with the transitional arrangements in FRS 17.

Deferred revenue

Subscription revenue due in advance of the delivery of services is included in deferred revenue and as services are rendered the proportionate share is taken to the profit and loss account.

Thomson Financial Investor Limited
Notes to the Accounts
for the year ended 31 December 2002

2 Segmented information

During the previous year, the company's profit and turnover arose principally in the United Kingdom where all of its assets were located, and it operated in two classes of business.

Discontinued operations	2002	2001
	£000	£000
Analysis of turnover by class of business		
Earnings estimate data	-	4,458
Real time markets data	-	2,639
	<hr/>	<hr/>
	2002	2001
	£000	£000
Analysis of turnover by destination		
United States of America	-	4,458
United Kingdom	-	2,639
	<hr/>	<hr/>

3 Operating profit	2002	2001
	£000	£000
This is stated after charging:		
Depreciation of owned fixed assets	-	111
Amortisation of goodwill	-	546
Severance costs	-	680
	<hr/>	<hr/>

Audit fees have been paid by a group company and were not recharged to the company.

4 Exceptional items	2002	2001
	£000	£000
Unrealised profit on disposal of business	-	17,442
	<hr/>	<hr/>

5 Staff costs	2002	2001
	£000	£000
Wages and salaries	-	1,895
Social security costs	-	210
Other pension costs	-	14
	<hr/>	<hr/>
	-	2,119
	<hr/>	<hr/>

None of the directors received any emoluments in respect of their services to the company.

Average number of employees during the year	Number	Number
Administration	-	3
Development	-	23
Sales	-	15
	<hr/>	<hr/>
	-	41
	<hr/>	<hr/>

Thomson Financial Investor Limited
Notes to the Accounts
for the year ended 31 December 2002

6 Taxation

	2002 £000	2001 £000
Tax on (loss)/profit on ordinary activities		
Group relief at 30%	-	(120)
	<u>-</u>	<u>(120)</u>

The table below reconciles the result on ordinary activities before tax of £nil (2001: Loss £266,000) to the effective profit on which tax has been calculated. The differences were attributed to the following factors:

	2002 £000	2001 £000
Loss on ordinary activities before taxation	<u>-</u>	<u>(266)</u>
Taxation credit at Standard UK corporation tax rate of 30%	-	(80)
- Current tax charge recognised	<u>-</u>	<u>120</u>
	<u>-</u>	<u>200</u>
Differences attributable to:		
- Capital allowances less than depreciation	-	23
- Non-deductible amortisation	-	165
- Other non-deductible charges	<u>-</u>	<u>12</u>
	<u>-</u>	<u>200</u>

7 Intangible fixed assets

£000

Goodwill:

Cost

At 1 January 2002	7,203
On disposal of business	<u>(7,203)</u>
At 31 December 2002	<u>-</u>

Amortisation

At 1 January 2002	546
On disposal of business	<u>(546)</u>
At 31 December 2002	<u>-</u>

Net book value

At 31 December 2002	<u>-</u>
At 31 December 2001	<u>6,657</u>

Thomson Financial Investor Limited
Notes to the Accounts
for the year ended 31 December 2002

8 Tangible fixed assets

	Plant and machinery £000
Cost	
At 1 January 2002	444
On disposal of business	(444)
At 31 December 2002	-
Depreciation	
At 1 January 2002	139
On disposal of business	(139)
At 31 December 2002	-
Net book value	
At 31 December 2002	-
At 31 December 2001	305

9 Debtors

	2002 £000	2001 £000
Trade debtors	-	640
Amounts owed by fellow group undertakings	19,220	17,411
Prepayments and accrued income	-	51
	<u>19,220</u>	<u>18,102</u>

10 Creditors: amounts falling due within one year

	2002 £000	2001 £000
Amounts owed to fellow group undertakings	-	7,952
Group tax relief	-	120
Accruals and deferred income	-	1,439
	<u>-</u>	<u>9,511</u>

11 Deferred taxation

FRS 19 has been implemented with effect from 1 January 2002. Under FRS 19, deferred tax is provided for in full on certain timing differences. The company does not discount the provision.

	2002 £000	2001 £000
Balance at 1 January	-	44
Deferred corporation tax in respect of:		
Transferred with sale of business	-	(44)
Deferred tax (asset)/liability	<u>-</u>	<u>-</u>

Thomson Financial Investor Limited
Notes to the Accounts
for the year ended 31 December 2002

12 Share capital	2002	2001
	£000	£000
Authorised:		
2,000,000 Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
Issued and fully paid:		
1,780,000 Ordinary shares of £1 each	<u>1,780</u>	<u>1,780</u>
Movement in share capital	2002	2001
	£000	£000
At 1 January	1,780	780
Shares issued	-	1,000
At 31 December	<u>1,780</u>	<u>1,780</u>
13 Profit and loss account	2002	2001
	£000	£000
At 1 January	17,440	384
Total recognised gains for the year	-	17,056
At 31 December	<u>17,440</u>	<u>17,440</u>
14 Reconciliation of movement in shareholders' funds	2002	2001
	£000	£000
At 1 January	19,220	1,164
Loss for the financial year	-	(386)
Unrealised profit on sale of business	-	17,442
Shares issued	-	1,000
At 31 December	<u>19,220</u>	<u>19,220</u>

15 Disposals

As at 1 January 2002, the company sold its business to Thomson Financial Limited for a consideration of £19,220,000.

Thomson Financial Investor Limited
Notes to the Accounts
for the year ended 31 December 2002

16 Company status

The company is a close company within the meaning of Section 414 of Income and Corporation Taxes Act 1988. The company's immediate parent company is Thomson Information & Solutions Limited. Within the meaning of the Companies Act 1985 Thomson Investments Limited ("TIL") is regarded by the directors of the company as being the company's ultimate parent company. Within the meaning of the said Act The Thomson Corporation ("Thomson") is the parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member. The Thomson Corporation PLC ("Thomson PLC") is the parent undertaking of the smallest group of undertakings for which group accounts are drawn up and of which the company is a member. TIL and Thomson are incorporated under the laws of the Province of Ontario, Canada. Thomson PLC is incorporated in England and Wales.

Copies of the Thomson and Thomson PLC annual reports are available from : First Floor, The Quadrangle, 180 Wardour Street, London W1A 4YG.