

**Touche
Ross**

Deloitte Touche
Tohmatsu
International



Company Registration No. 02701093

**PRIMARK INFORMATION SERVICES UK
LIMITED**

Report and Consolidated Financial Statements

30 November 1994



REPORT AND FINANCIAL STATEMENTS 1994

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REPORT AND FINANCIAL STATEMENTS 1994

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R M Anderson
S H Curran
M R Kargula
J E Kasputys
S A Herman

SECRETARY

D M Warren FCIS

REGISTERED OFFICE

Monmouth House
58-64 City Road
London EC1Y 2AL

BANKERS

Barclays Bank PLC
Cheapside Business Centre
Atlas House
1/7 King Street
London EC2V 8AU

AUDITORS

Touche Ross & Co.
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company for 1994 will be held at Monmouth House, 58-64 City Road, London EC1Y 2AL on Tuesday 14 February 1995 at 12.00 am for the following purposes:

- | | |
|--------------|--|
| Resolution 1 | To receive the report of the Directors and the Accounts for the year ended 30 November 1994. |
| Resolution 2 | To re-appoint as auditors of the Company Touche Ross & Co. and to authorise the Directors to fix their remuneration. |

By order of the Board

D. Warren

D M Warren
Secretary

Monmouth House
58-64 City Road
London EC1Y 2AL

14 February 1995

DIRECTORS' REPORT

The directors present their annual report and the audited consolidated financial statements for the year ended 30 November 1994 of Primark Information Services UK Limited.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACTIVITIES

The Company is a parent company holding shares in Datastream Group Limited. Datastream Group Limited and its subsidiaries provide computer-based information and computerisation services - both on-line and in printed form - including investment research, investment accounting and portfolio valuations, together with analysis and graphics capabilities. These services are supported by databases giving international coverage of securities, companies, interest rates, exchange rates, financial futures, commodities and economic indices. The services are supplied throughout the United Kingdom, Continental Europe, North America and various countries in the Far East to stockbrokers, banks, pension funds, unit trusts, investment trusts and insurance companies. They are used by fund managers, financial analysts, economists and corporate planners. Datastream International Limited, the operating company, has a branch in The Netherlands.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £3,464,000 (1993 - loss £873,000). The directors do not recommend the payment of any dividend (1993 - £nil). This leaves a retained profit of £3,464,000 (1993 - loss £873,000) to be taken to a deficit brought forward of £2,598,000 (1993 - £1,725,000) leaving reserves carried forward of £866,000 (1993 - deficit of £2,598,000).

REVIEW OF BUSINESS

The results for the year are set out on page 7. The Group continued to serve its clients with its established investment research and fund management services throughout the year to 30 November 1994.

There were improved trading conditions in the UK and sales through distributors outside the UK, especially America and the Far East continued to show reasonable growth.

Investment has continued in both the investment research and fund management services to ensure future customer demands are satisfied.

DIRECTORS' REPORT

DIRECTORS

The directors of the Company who served throughout the year ended 30 November 1994 (except where stated) were as follows:

J E Kasputys
S H Curran
M R Kargula
A L Helman (retired 31 January 1995)
R M Anderson
S A Herman (appointed 31 January 1995)

DIRECTORS' INTERESTS

The directors of the Company as at 30 November 1994 had no disclosable interests in the shares or debentures of any Group company. There have been no changes since the balance sheet date.

FIXED ASSETS

Details of the movement in fixed assets during the year to 30 November 1994 are given in notes 9, 10 and 11 to the accounts.

CHARITABLE CONTRIBUTIONS

The contributions made by the Group during the year for charitable purposes were £6,000 (1993 - £6,000).

EMPLOYMENT POLICIES

It is the policy of the Group not to discriminate in respect of ethnic origin, religion, sex or disability.

Recruitment and promotion are on the basis of ability, experience and capability relevant to successful performance of a specific job, and of potential for further development.

It is the Group's policy to offer equal opportunity to disabled persons applying for vacancies having regard to their aptitudes and abilities in relation to the jobs for which they apply.

As far as possible arrangements are made to continue the employment of those employees who have become disabled during the course of their employment with the Group. In all instances consideration is given to arranging appropriate training facilities or providing special aids where necessary. It is the Group's policy to provide disabled persons with the same opportunities for training, career development and promotion that are available to all employees within the limitations of the Group.

The Group believes in the development of effective communication with its employees. It is our aim to maintain and improve arrangements already in existence and to introduce additional measures where considered desirable. The Group operates a discretionary bonus scheme covering all employees, the amount of the bonus being determined by, amongst other factors, the financial performance of the Group.

An Inland Revenue approved Profit Related Pay Scheme has been introduced to the Group with effect from 1 December 1993.

With effect from 1 February 1994 all eligible UK based employees of the Group are entitled to participate in the Primark Corporation Employee Stock Purchase Plan

DIRECTORS' REPORT

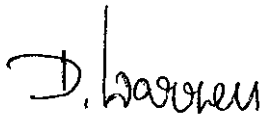
INSURANCE OF DIRECTORS

The Group maintains insurance for the Company's directors in respect of their duties as directors of the Company.

AUDITORS

Touche Ross & Co. have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



D M Warren
Secretary

14 February 1995



Chartered Accountants

Touche Ross & Co.
Hill House
1 Little New Street
London EC4A 3TR

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AUDITORS' REPORT TO THE MEMBERS OF

PRIMARK INFORMATION SERVICES UK LIMITED

We have audited the financial statements on pages 7 to 21 which have been prepared under the accounting policies set out on pages 12 and 13.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 and the group'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 company and the group at 30 November 1994 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Touche Ross & Co.

Chartered Accountants and Registered Auditors

15 February 1995

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 30 November 1994

	Note	1994 £'000	1993 £'000
TURNOVER	2	56,251	30,955
Staff costs	3	23,419	12,010
Depreciation	4	3,393	1,760
Amortisation of intangibles	9	3,169	2,404
Other operating costs		<u>16,386</u>	<u>12,639</u>
		(46,367)	(28,813)
OPERATING PROFIT		9,884	2,142
Interest receivable and similar income	5	<u>45</u>	<u>51</u>
		9,929	2,193
Interest payable and similar charges	5	<u>(3,315)</u>	<u>(2,157)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	6,614	36
Tax on profit on ordinary activities	6	<u>(3,150)</u>	<u>(909)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		3,464	(873)
Retained loss brought forward		<u>(2,598)</u>	<u>(1,725)</u>
Retained profit/(loss) carried forward		<u>866</u>	<u>(2,598)</u>

All income is derived from continuing operations.

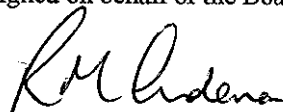
All gains and losses for the year are reflected in the profit and loss account.

CONSOLIDATED BALANCE SHEET
30 November 1994

	Note	£'000	1994 £'000	£'000	1993 £'000
FIXED ASSETS					
Intangible assets	9		74,904		78,073
Tangible assets	10		9,116		8,402
Investments	11		1		1
			<u>84,021</u>		<u>86,476</u>
CURRENT ASSETS					
Debtors	12	13,809		13,361	
Cash at bank and in hand		846		816	
		<u>14,655</u>		<u>14,177</u>	
CREDITORS: amounts falling due within one year	13	<u>(54,429)</u>		<u>(60,673)</u>	
NET CURRENT LIABILITIES			<u>(39,774)</u>		<u>(46,496)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			44,247		39,980
CREDITORS: amounts falling due after more than one year	14		(2,025)		(1,007)
PROVISIONS FOR LIABILITIES AND CHARGES	15		<u>(119)</u>		<u>(334)</u>
			<u>42,103</u>		<u>38,639</u>
CAPITAL AND RESERVES					
Called up share capital	16		1		1
Share premium	16		38,471		38,471
Additional paid in capital	16		2,765		2,765
Profit and loss account			866		(2,598)
EQUITY SHAREHOLDERS' FUNDS			<u>42,103</u>		<u>38,639</u>

These financial statements were approved by the Board of Directors on 14 February 1995.

Signed on behalf of the Board of Directors



R M Anderson

Director

COMPANY BALANCE SHEET
30 November 1994

	Note	£'000	1994 £'000	£'000	1993 £'000
FIXED ASSETS					
Intangible assets	9		3,342		5,713
Investments	11		36,525		35,486
Loans to subsidiaries	11		40,984		40,984
			<u>80,851</u>		<u>82,183</u>
CURRENT ASSETS					
Debtors	12	1,747		11,628	
Cash at bank and in hand		-		1	
		<u>1,747</u>		<u>11,629</u>	
CREDITORS: amounts falling due within one year	13	<u>(1,477)</u>		<u>(2,955)</u>	
NET CURRENT ASSETS			<u>270</u>		<u>8,674</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			81,121		90,857
CREDITORS: amounts falling due within one year	14		<u>(37,199)</u>		<u>(43,332)</u>
			<u>43,922</u>		<u>47,525</u>
CAPITAL AND RESERVES					
Called up share capital	16		1		1
Share premium	16		38,471		38,471
Additional paid in capital	16		2,765		2,765
Profit and loss account			2,685		6,288
EQUITY SHAREHOLDERS' FUNDS			<u>43,922</u>		<u>47,525</u>

These financial statements were approved by the Board of Directors on 14 February 1995.

Signed on behalf of the Board of Directors



R M Anderson

Director

CONSOLIDATED CASH FLOW STATEMENT
Year ended 30 November 1994

	Note	1994 £'000	1993 £'000
Net cash inflow from operating activities	18	18,110	10,101
Returns on investments and servicing of finance			
Interest received	45	51	
Interest paid	(3,536)	(1,904)	
Interest element of finance lease rentals	(150)	(100)	
Net cash outflow from returns on investments and servicing of finance		(3,641)	(1,953)
Taxation			
UK corporation tax paid	(3,256)	(870)	
Overseas tax paid	(699)	(339)	
Tax paid		(3,955)	(1,200)
Investing activities			
Payments to acquire tangible fixed assets	(4,607)	(2,678)	
Purchase of subsidiary undertaking (net of cash acquired)	19	299	
Sale of plant and machinery	583	72	
Net cash outflow from investing activities		(4,024)	(2,307)
Net cash inflow before financing		6,490	4,632
Financing			
Capital contribution from parent company	-	(227)	
Repayments of secured borrowing	8,181	4,332	
Capital element of finance lease rental payments	692	981	
New lease proceeds	(1,825)	(609)	
Net cash inflow from financing		7,048	4,477
(Decrease)/increase in cash and cash equivalents	20	(558)	155
		6,490	4,632

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
Year ended 30 November 1994

	1994 £'000	1993 £'000
Profit/(loss) attributable to members of the company	3,464	(873)
Capital subscribed	-	29,909
Net increase in shareholders' funds	3,464	29,036
Opening shareholders' funds	38,639	9,603
Closing shareholders' funds	42,103	38,639

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The consolidated accounts include those of the Company and its subsidiaries. The effects of intercompany transactions have been eliminated.

Turnover

Turnover represents the amounts earned on sales invoiced for services rendered and publications, and is exclusive of value added tax.

Revenue billed in advance

Revenue billed in advance represents amounts invoiced for services which relate to future accounting periods. These amounts are released to revenue in the accounting periods to which they relate.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets are depreciated on a straight-line basis over their estimated useful lives which are as follows:

Company equipment and office equipment	5 years
Motor vehicles	3 or 4 years
Leasehold improvements	10 years

Depreciation is charged on a monthly basis with full charge in the month of purchase and nil in the month of disposal.

Investments

Investments are stated at the lower of cost and net realisable value.

Leased assets

(i) **Operating leases**

Rentals applicable to operating leases are charged to the profit and loss account as incurred.

(ii) **Finance leases**

Assets acquired under finance leases are capitalised. The depreciation charge is on a straight line basis over the shorter of the effective period of the lease and the asset's estimated useful life.

Research and development expenditure

All research and development expenditure is written off in the period in which it is incurred.

Goodwill

Goodwill arising on consolidation is amortised over its estimated useful economic life of 40 years through the profit and loss account.

Other intangible assets

Covenants not to compete are amortised over their contracted lives of 3 and 10 years.

Rates of exchange

The assets, liabilities and results of branches and subsidiaries in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the year.

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

1. ACCOUNTING POLICIES (continued)

Deferred tax

Tax deferred through income and expenditure being recognised for tax purposes in differing periods from those used for accounting purposes is accounted for to the extent that it is probable that a liability will crystallise. Provision is made at the rate which is to be applied when the liability is expected to crystallise.

Pension scheme costs

The pension scheme costs charged in these accounts comprise regular pension costs which are estimates based on actuarial advice.

2. TURNOVER

The geographical analysis of turnover is:

	1994 £'000	1993 £'000
United Kingdom	35,892	20,534
Rest of Europe	13,240	7,037
North America	2,591	1,164
Far East	4,528	2,220
	<u>56,251</u>	<u>30,955</u>

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

**Employment costs including
executive directors:**

	1994 £'000	1993 £'000
Wages and salaries	20,928	10,618
Social security costs	1,281	744
Other pension costs	1,210	648
	<u>23,419</u>	<u>12,010</u>

Directors' remuneration

Aggregate remuneration, including pension contributions

	<u>387</u>	<u>126</u>
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Remuneration, excluding pension contributions

Chairman

Highest paid director

Chairman and highest paid director

	-	-
	133	-
	-	78
	<u>-</u>	<u>-</u>

Number of other directors within ranges

	No.	No.
£ 0 - £ 5,000	2	3
£ 45,001 - £ 50,000	-	1
£ 105,001 - £110,000	1	-
	<u>1</u>	<u>-</u>

The average number of persons employed by the Company during the year was:

United Kingdom	611	578
Rest of Europe	22	19
	<u>633</u>	<u>597</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1994	1993
	£'000	£'000
Profit on ordinary activities before taxation is stated after charging/(crediting)		
Operating lease rentals relating to:		
Equipment and vehicles	63	32
Buildings	1,585	832
Amortisation of intangible fixed assets	3,169	2,404
Depreciation of tangible fixed assets	3,393	1,760
Profit/loss on disposal of tangible fixed assets	(83)	57
Auditors' remuneration:		
Audit fees	32	30
Non-audit related fees	89	149
Exchange (gain)/loss	(1,576)	2,866

5. INTEREST

	1994	1993
	£'000	£'000
Interest receivable and similar income:		
From bank deposits	45	51
Interest payable and similar charges:		
Under finance leases	150	91
To group companies	3,129	667
Bank loans	-	1,334
Other	36	65

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1994	1993
	£'000	£'000
UK corporation tax at 33% (1993 - 33%)	3,000	1,081
Less: double tax relief	(699)	(379)
	2,301	702
Netherlands corporation tax at 35% (1993 - 35%)	391	184
Japanese withholding tax at 10%	302	170
Other foreign tax	6	25
Deferred tax	(175)	(172)
Under provision for previous years	325	-

The effective tax rate differs from 33% due to permanently disallowable items being charged and credited to the profit and loss account.

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

7. PARENT COMPANY PROFIT AND LOSS ACCOUNT

As permitted by section 230 of the Companies Act 1985, the parent company's profit and loss account has not been included in these accounts. Of the consolidated profit for the year, the amount dealt with in the accounts of the parent company is a loss of £3,603,000 (1993 - profit of £8,013,000).

8. PENSION SCHEME COSTS

The Company operates a non-contributory pension scheme, membership of which is voluntary. Members may opt for either final salary or money purchase benefits and may make additional voluntary contributions outside the scheme. The assets of the scheme are held separately from those of the company and are invested with trustee administered independent funds. Life assurance and permanent disability cover is provided for all employees. Only the UK based employees are eligible to participate in the scheme.

The scheme is actuarially valued every three years, the last valuation date was 31 March 1992. At this date the market value of the assets of the scheme was £6,553,600. This valuation, which reported that the scheme was adequately funded, was determined using the projected unit credit method. The main assumptions were:

9.0% return on investment

7.0% growth in earnings

The valuation reported that there was a discontinuance funding level of 99%. The Company's actuaries advised that contribution should be made to the scheme with effect from April 1992 and accordingly contributions were made.

9. INTANGIBLE ASSETS

Goodwill

This represents goodwill arising on the acquisition of Datastream Group Limited and its subsidiaries.

Covenants

Within the sale and purchase agreement for the acquisition of Datastream Group Limited and its subsidiaries, the Company paid a premium to prevent the former owner competing directly in Datastream's markets.

	Group Goodwill £'000	Covenants £'000	Total £'000	Company Covenants £'000	Total £'000
Cost					
As at 1 December 1993	73,431	7,268	80,699	7,269	7,269
Disposal to a group company	-	-	-	(1,723)	(1,723)
As at 30 November 1994	<u>73,431</u>	<u>7,268</u>	<u>80,699</u>	<u>5,546</u>	<u>5,546</u>
Amortisation					
As at 1 December 1993	1,071	1,555	2,626	1,555	1,555
Charge for the year	1,836	1,333	3,169	1,333	1,333
Disposal to a group company	-	-	-	(684)	(684)
As at 30 November 1994	<u>2,907</u>	<u>2,888</u>	<u>5,795</u>	<u>2,204</u>	<u>2,204</u>
Net book value					
As at 30 November 1994	<u>70,524</u>	<u>4,380</u>	<u>74,904</u>	<u>3,342</u>	<u>3,342</u>
As at 30 November 1993	<u>72,360</u>	<u>5,713</u>	<u>78,073</u>	<u>5,713</u>	<u>5,713</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

10. TANGIBLE ASSETS

	Leasehold improve- ments £'000	Computer equipment £'000	Office equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 December 1993	2,725	15,305	1,694	1,070	20,794
Additions	341	3,458	369	439	4,607
Disposals	(98)	(902)	(53)	(351)	(1,404)
Reclassifications	799	189	(988)	-	-
At 30 November 1994	<u>3,767</u>	<u>18,050</u>	<u>1,022</u>	<u>1,158</u>	<u>23,997</u>
Depreciation					
At 1 December 1993	668	10,300	711	713	12,392
Charge for the year	609	2,460	92	232	3,393
Disposals and write-offs	(6)	(504)	(49)	(345)	(904)
Reclassifications	203	87	(290)	-	-
At 30 November 1994	<u>1,474</u>	<u>12,343</u>	<u>464</u>	<u>600</u>	<u>14,881</u>
Net book value					
At 30 November 1994	<u>2,293</u>	<u>5,707</u>	<u>558</u>	<u>558</u>	<u>9,116</u>
At 30 November 1993	<u>2,057</u>	<u>5,005</u>	<u>983</u>	<u>357</u>	<u>8,402</u>

Computer and office equipment with net book value of £3,093,417 (1993 - £2,901,641) and depreciation charged in the year of £1,644,895 (1993 - £837,000) were subject to finance leases at 30 November 1994.

11. FIXED ASSET INVESTMENTS

Group

The Company owns 5% of the equity share capital of Datastream International (Italy) Srl, an Italian company.

Company

Equity Investment at 30 November 1994 consisted of 100% of the issued share capital of Datastream Group Limited which is registered in England and Wales.

	Group Equity investment £'000	Company Equity investment £'000	Loans £'000	Total £'000
As at 1 December 1993	1	35,486	40,984	76,470
Additions	-	1,039	-	1,039
As at 30 November 1994	<u>1</u>	<u>36,525</u>	<u>40,984</u>	<u>77,509</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

12. DEBTORS

	The Company 1994 £'000	The Group 1994 £'000	The Company 1993 £'000	The Group 1993 £'000
Trade debtors	-	11,470	-	10,602
Amounts owed by group companies	-	1,390	10,000	1,935
Other prepayments	1,747	949	1,628	824
	<u>1,747</u>	<u>13,809</u>	<u>11,628</u>	<u>13,361</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Company 1994 £'000	The Group 1994 £'000	The Company 1993 £'000	The Group 1993 £'000
Bank loans and overdrafts	-	950	-	362
Obligations under finance leases	-	652	-	537
Trade creditors	-	8,675	197	6,833
Amounts owed to group companies	1,477	32,691	2,758	43,307
Taxation	-	2,607	-	2,176
Social security	-	392	-	328
Revenue billed in advance	-	8,462	-	7,130
	<u>1,477</u>	<u>54,429</u>	<u>2,955</u>	<u>60,673</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Company 1994 £'000	The Group 1994 £'000	The Company 1993 £'000	The Group 1993 £'000
Obligations under finance leases	-	2,025	-	1,007
Amount owed to parent company	37,199	-	43,332	-
	<u>37,199</u>	<u>2,025</u>	<u>43,332</u>	<u>1,007</u>



NOTES TO THE ACCOUNTS
Year ended 30 November 1994

15. PROVISIONS FOR LIABILITIES AND CHARGES

	The Company 1994 £'000	The Group 1994 £'000	The Company 1993 £'000	The Group 1993 £'000
This amount represents deferred tax fully provided at 33% (1993 - 33%)				
Accelerated capital allowances	-	67	-	(119)
Short term timing differences	-	52	-	453
	<u>-</u>	<u>119</u>	<u>-</u>	<u>334</u>

16. CALLED UP SHARE CAPITAL

	1994 £'000	1993 £'000
Authorised 50,000,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Called up, allotted and fully paid 1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>
Additional paid in capital	<u>2,765</u>	<u>2,765</u>
Share premium	<u>38,471</u>	<u>38,471</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

17. COMMITMENTS AND CONTINGENT LIABILITIES

	1994 £'000	1993 £'000
Finance lease commitments:		
The Group had net obligations under finance leases as set out below:		
Due within one year	652	537
Due within two to five years	2,025	1,007
Over five years	-	-
	<u>2,677</u>	<u>1,544</u>

Operating lease commitments:

At 30 November 1994 the Group had annual commitments under
non-cancellable leases as set out below

	Equipment and vehicles £'000	Building £'000	Total £'000
Operating leases which expire:			
Within one year	63	-	63
Within two to five years	-	31	31
Over five years	-	1,506	1,506
	<u>-</u>	<u>1,506</u>	<u>1,506</u>

At 30 November 1994 the Group had annual commitments under non-cancellable leases of £nil (1993 - £nil).

Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at 30 November 1994 (1993 - £nil).

18. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1994 £'000	1993 £'000
Operating profit	9,884	2,142
Depreciation and amortisation charges	6,562	4,164
(Profit)/loss on sale of fixed assets	(83)	57
Increase in debtors	(448)	(3,709)
Increase in creditors	2,195	7,447
	<u>18,110</u>	<u>10,101</u>
Net cash inflow from operating activities	<u>18,110</u>	<u>10,101</u>

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

19. PURCHASE OF SUBSIDIARY UNDERTAKING

	1994 £'000	1993 £'000
Net assets acquired:		
Tangible fixed assets	-	7,614
Debtors	-	53,016
Cash at bank and in hand	-	299
Creditors	-	(51,531)
Deferred tax	-	(565)
	-	8,833
Goodwill	-	73,431
	-	82,264
Satisfied by:		
Shares allotted in period ended 30 November 1992	-	8,963
Cash payment in period ended 30 November 1992	-	43,793
Shares allotted during the year ended 30 November 1993	-	29,508
	-	82,264
Analysis of net outflow of cash and cash equivalents in respect of the purchase of subsidiary undertakings:		
Cash consideration	-	-
Cash at bank and in hand acquired	-	(299)
Net outflow of cash and cash equivalents in respect of purchase of subsidiary undertakings	-	(299)

20. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	1994 £'000	1993 £'000
Balance at 1 December	454	-
Net cash (outflow)/inflow	(558)	155
Cash acquired on acquisition of subsidiary	-	299
Balance at 30 November	(104)	454

NOTES TO THE ACCOUNTS
Year ended 30 November 1994

21. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1994 £'000	1993 £'000	Change in year £
Cash at bank and in hand	846	816	30
Bank overdraft	(950)	(362)	(588)
Cash acquired on acquisition of subsidiary	-	(299)	299
	<u>(104)</u>	<u>155</u>	<u>(259)</u>

22. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Year to 30 November 1994	
	Share capital (including share premium) £'000	Loans and finance lease obligations £'000
Balance at 1 December 1993	41,237	1,544
Inception of new finance leases	-	1,133
Balance at 30 November 1994	<u>41,237</u>	<u>2,677</u>

23. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Primark Corporation, a company incorporated in the USA. Copies of Primark Corporation's account can be obtained from the Company Secretary at Datastream International Limited, 58-64 City Road, London EC1Y 2AL.