

Callcredit Information Group Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 December 2009

(Registered Number 4968328)



Callcredit Information Group Limited

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 December 2009

In December 2009, 100% of the share capital of Callcredit Information Group Limited was acquired by DMWSL 617 Limited. DMWSL 620 Limited is the ultimate controlling company of Callcredit Information Group Limited incorporated in England and Wales. VIP I Nominees Limited is the ultimate controlling party of the Company on behalf of the investors in the Vitruvian Investment Partnership I. The Vitruvian Investment Partnership I is managed by Vitruvian partners LLP.

PRINCIPAL ACTIVITIES

Callcredit Information Group Limited operates in the credit solutions and marketing solutions arenas. The Credit Solutions Division comprises Callcredit (providers of credit referencing services for business and consumers), DecisionMetrics (specialists in scorecard development and multi-bureau solutions) and Legatio (providers of identity verification software and online tax filing). The Marketing Solutions Division supplies marketing data, database hosting and marketing fulfilment services, international market analysis and network planning.

BUSINESS REVIEW

OVERVIEW OF THE YEAR

Callcredit Information Group has continued to see excellent growth in 2009, with sales increasing year on year by 9%. Full year profits of £7.1M show an uplift of 54% on 2008 and operating profit margins have increased from 12% to 14%. The Directors regard this as a positive result given the economic climate and, particularly, the uncertain trading conditions.

A summary review of the significant trading activities is given below.

Callcredit

Callcredit has had another extremely successful year. Revenues have increased year on year by 21% and sales targets have been met, despite challenging conditions in the financial services markets. Callcredit has generated a profit of £5.7m in 2009, up from £2.9m in 2008. Callcredit continues to develop its suite of products to meet the needs of its clients. Callcredit's brand continues to grow along with a reputation for quality and depth in its range of services.

DecisionMetrics

DecisionMetrics has demonstrated strong performance, particularly in the latter half of the year, with sales double that of 2008. The operating loss in the previous year has been turned around to show a profitable position in 2009. It continues to provide the Group with excellent credit scoring capabilities.

Legatio

Legatio has continued to perform well with revenues for the year in line with expectations. Profits have exceeded budgets and are 71% up on the prior year.

Callcredit Marketing (formerly EuroDirect Database Marketing Limited)

Challenging market conditions continue to prevail in the marketing services sector. The directors regard the profit made as satisfactory given the adverse economic conditions. Callcredit Marketing continues to build its presence in the international arena and capitalise on synergistic benefits with Callcredit Marketing Solutions, its sister marketing services company.

Callcredit Marketing Solutions (formerly Broadsystem Limited)

Callcredit Marketing Solutions has also been affected by difficult market conditions in the marketing services sector, with a resultant impact on revenue and margins. However, despite this difficult climate Callcredit Marketing Solutions has performed relatively well compared with its competition, offering a broad set of solutions and options for clients and service excellence, leading to a high level of client retention.

GMAP

Improved operational efficiencies have been introduced to improve profitability in difficult trading conditions. On 30th June 2009 the trade and assets of the company were hived up into its immediate parent, Callcredit Marketing Limited.

Calcredit Information Group Limited

DIRECTORS' REPORT

OBJECTIVES AND STRATEGIES

Calcredit Information Group's business targets and objectives

The primary objectives of the Group for 2010 are to increase market share in both the credit and marketing sectors and to make further progress in improving its margins as its businesses grow in scale. Now in a cash-generating position, the Group will continue to invest in systems, data infrastructure and human resources in order to achieve a high level of turnover growth for its three year plan.

RISKS AND UNCERTAINTIES

The principal risks to the Group are as follows:

1. The directors are vigilant in their monitoring of the prevailing economic conditions and are mindful of the current lack of confidence in the credit markets. Calcredit Information Group's breadth of portfolio in terms of product, geography, client and sector and its capacity to adapt to change should mitigate the impact of the risk of reducing business volumes arising from the current economic position.
2. Having built a strong position in the market, the Board recognises the negative impact of delivering a delayed or sub-optimal service leading to a loss of confidence. Ensuring highly skilled staff are well motivated and supported and the continuous improvement of systems and processes, underpinned by state of the art technology help to minimise this risk.
3. The risk of loss, theft, wrongful disclosure or corruption of data is a key focus of the Board and a comprehensive set of stringent security measures are in place to mitigate or minimise such risks. These underpin all aspects of the business and are kept under constant review to ensure best practice is achieved.
4. Rapid changes, such as the move away from traditional media to the new electronic media in the Direct Marketing industry, are, wherever possible, anticipated and acted upon by the directors. The Board recognises the very real risk of standing still and actively seeks to capitalise upon the opportunities such changes provide through a combination of innovation, technology and flexibility.

Calcredit Information Group has robust procedures in place for risk assessment and reporting. The risk profile is reviewed quarterly by the Board, highlighting the key risks facing the business and assessing any improvement or deterioration so that internal controls can be enhanced where necessary to ensure such risks are properly mitigated.

All risks are managed in accordance with the established risk policy.

Callcredit Information Group Limited

DIRECTORS' REPORT

DIVIDENDS

The directors do not propose to pay a final dividend (2008 £nil)

DIRECTORS

The directors who served during the year were

D J Cutter	Appointed 1st January 2009, resigned 7th December 2009
M J Green	
E A Richards	
R J Twigg	Resigned 7th December 2009
J F McAndrew	Appointed 19th January 2010

Messrs DJ Cutter and R J Twigg are also directors of Skipton Building Society and Skipton Group Holdings Limited, which were the ultimate and immediate parent undertakings respectively until 7th December 2009

Mr JF McAndrew and Mrs EA Richards have been directors of the immediate parent company, DMWSL 617 Limited and the ultimate parent company DMWSL 620 Limited since the Group changed ownership on 7th December 2009

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Group made no political contributions (2008 £nil) during the period. Donations by the Group to UK charities amounted to £4,624 (2008 £6,273)

EMPLOYEES

It is the policy of the Group to disclose to staff at all levels information on matters of concern to them as employees

CREDITOR PAYMENT POLICY

The Group's policy concerning the payment of suppliers for the next financial year is to agree terms of payment in advance and to make the payment in accordance with agreed terms and any other legal obligations

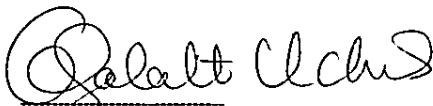
As at 31 December 2009 creditor days were 34 days (2008 48 days)

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the board

E A Richards
Secretary



10th March 2010

Callcredit Information Group Limited

DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare group and parent company financial statements for each financial year. Under that law they have elected to prepare both the group and the parent company financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG Audit Plc
1 The Embankment
Neville Street
Leeds
LS1 4DW

Independent auditors' report to the members of Callcredit Information Group Limited

We have audited the financial statements of Callcredit Information Group Limited for the year ended 31 December 2009 set out on pages 7 to 27. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion,

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2009 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the EU;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion,

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

AJ Stone (Senior Statutory Auditor)

For and on behalf of
KPMG Audit Plc
Statutory Auditor

Chartered Accountants
1 The Embankment
Leeds
West Yorkshire
LS1 4DW
10 March 2010

Callcredit Information Group Limited

Consolidated Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Year ended 31 December 2009	Year ended 31 December 2008
		£'000s	£'000s
Revenue	1	53,645	49,345
Cost of sales		(14,069)	(11,073)
Gross profit		39,576	38,272
Other operating income	5	36	51
Administrative expenses		(32,115)	(32,267)
Profit from operations	2	7,497	6,056
Financial income	3	2	11
Finance costs	4	(404)	(1,453)
Profit before tax		7,095	4,614
Taxation	8	(2,128)	(1,504)
Profit for the period		4,967	3,110

In both the current and preceding period the Group had no discontinued operations

The Income Statement is prepared on an unmodified historical cost basis

The notes on pages 10 to 27 form part of these financial statements

Callcredit Information Group Limited

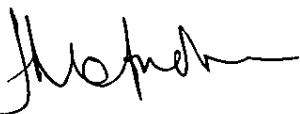
Statements of Financial Position

AS AT 31 DECEMBER 2009

	Notes	31 December 2009 Group £'000s	Company £'000s	31 December 2008 Group £'000s As restated	Company £'000s
Current assets					
Trade and other receivables	10	15,676	15,018	15,110	20,042
Income tax receivable			73	316	85
Cash and cash equivalents	9	2,195	33	391	2
		17,871	15,124	15,817	20,129
Non-current assets					
Intangible assets	11	44,607	-	43,472	-
Property, plant and equipment	12	2,749	-	2,599	-
Investments	13		44,959	-	44,702
Deferred tax assets	14	317	-	299	-
Total assets		65,544	60,083	62,187	64,831
Current liabilities					
Trade and other payables	15	11,067	1,824	7,393	5
Income tax payable		1,172	-	166	-
Amounts owed to group undertakings	15	19,788	27,478	24,572	32,976
		32,027	29,302	32,131	32,981
Long term liabilities					
Loans and borrowings	16	-	-	386	-
Other	16	677	677	1,797	1,797
		677	677	2,183	1,797
Equity					
Share capital	17,18	667	667	667	667
Share premium account	18	900	900	900	900
Capital redemption reserve	18	28,433	28,433	28,433	28,433
Retained earnings	18	2,840	104	(2,127)	53
		32,840	30,104	27,873	30,053
Total equity and liabilities		65,544	60,083	62,187	64,831

These accounts were approved by the board of Directors on 10th March 2010 and signed on its behalf by

J F McAndrew
Director



E A Richards
Director



Company Registration Number 4968328

The notes on pages 11 to 27 form part of these accounts

Callcredit Information Group Limited

Statement of Cash Flows - Group

FOR THE YEAR ENDING 31 DECEMBER 2009

	Note	Year ended 31 December 2009	Year ended 31 December 2008
		£'000s	£'000s
Cash Flows from Operating Activities			
Profit before taxation		7,095	4,614
Adjustments for			
Depreciation and amortisation charges	11,12	4,250	3,878
Profit on sale of tangible fixed assets		(10)	(11)
Financial income	3	(2)	(11)
Interest expense	4	404	1,453
Increase in trade and other receivables	10	(566)	(3,552)
Increase in trade and other payables	15,16	(2,616)	1,243
Cash generated from operating activities		8,555	7,614
Interest paid	4	(404)	(1,453)
Income taxes paid		(824)	(1,095)
Net cash from operating activities		7,327	5,066
Cash Flows from Investing Activities			
Interest received	3	2	11
Purchase of shares in subsidiary undertaking	13	0	
Proceeds on disposal of property plant and equipment		23	194
Purchases of property, plant and equipment	12	(1,508)	(1,256)
Purchases of intangible assets	11	(4,040)	(4,351)
Net cash from investing activities		(5,523)	(5,402)
Cash Flows from Financing Activities			
Net cash from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		1,804	(336)
Cash and Cash equivalents at 1 January		391	727
Cash and cash equivalents at 31 December	9	2,195	391

Callcredit Information Group Limited

Statement of Cash Flows - Company

FOR THE YEAR ENDING 31 DECEMBER 2009

		Year ended 31 December 2009 £'000s	Year ended 31 December 2008 £'000s
	Note		
Cash Flows from Operating Activities			
Loss before taxation		(658)	(991)
Adjustments for			
Financial income		(209)	(1,059)
Interest expense		457	1,864
Decrease / (Increase) in trade and other receivables	10	5,024	(50)
(Decrease) / Increase in trade and other payables	15,16	(4,799)	205
Cash generated from operating activities		(185)	(31)
Income taxes received		121	203
Interest paid		(457)	(1,864)
Net cash (outflow)/inflow from operating activities		(521)	(1,692)
Cash Flows from Investing Activities			
Acquisition of subsidiaries	13	(257)	(124)
Interest received		209	1,059
Dividend received		600	750
Net cash inflow/(outflow) from investing activities		552	1,685
Net increase / (decrease) in cash and cash equivalents		31	(7)
Cash and cash equivalents at 1 January		2	9
Cash and cash equivalents at 31 December	9	33	2

Callcredit Information Group Limited

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's accounts

(a) Basis of accounting

The financial statements are presented in accordance with International Financial Reporting Standards (IFRS) and its interpretations as adopted by the EU and effective at 31 December 2009

The directors have not adopted IFRS 3 Business Combinations (Revised) and IAS27, Consolidated and Separate Financial Statements (Amended) which although endorsed by the EU are not currently mandatory

The Directors have adopted IAS 1 *Presentation of Financial Statements (2007)* IFRS 8, *Operating Segments* IAS 23 *Borrowing Costs (Revised)* IAS1 has changed some of the terminology used throughout these financial statements but has had no impact upon recognition measurement or disclosure No changes have been caused by the implementation of either IAS 23 or IFRS8

The accounting policies applied in 2009 are consistent with those applied in the previous year

As part of the Group's acquisition strategy within a number of subsidiaries which have less than 100% ownership there is an option for minority shareholders to sell their shares to the Group at defined future dates In accordance with IAS 32 *Financial Instruments Presentation* and emerging accounting practice the Group accounting policy for these transactions is to recognise the present value of minorities' options as a financial obligation along with recognition of further goodwill on the purchase of remaining minority interests

Under this revised accounting policy the Group consolidates 100% of the results of affected subsidiaries to reflect the 100% ownership implicit in the recording of the future purchase of minorities' remaining shareholdings The impact on the income statement is the recognition of the interest expense being the accretion of the liability

The Group Accounts consolidate the accounts of Callcredit Information Group Limited and all its subsidiary undertakings The acquisition method of accounting has been adopted under which the results of subsidiary undertakings acquired or disposed of during the year are included in the Income Statement from the date of acquisition or up to the date of disposal All Group undertakings prepare accounts to 31 December annually

In accordance with Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account. The Company's profit for the year is disclosed in note 18 to the accounts

The financial statements are drawn up under the historic cost convention and in accordance with applicable accounting standards

(b) Going Concern

The Group's business activities together with the factors likely to affect its future development, performance and position are set out in the Business Review on pages 2 to 4

In December 2009 100% of the share capital of Callcredit Information Group Limited was acquired by DMWSL 617 Limited DMWSL 620 Limited is the ultimate controlling company of Callcredit Information Group Limited incorporated in England and Wales VIP 1 Nominees Limited is the ultimate controlling party of the Company on behalf of the investors in the Vitruvian Investment Partnership I The Vitruvian Investment Partnership I is managed by Vitruvian partners LLP The acquisition was financed by a combination of share capital and bank debt As a result a new financing structure was put in place over the enlarged Group

The bank debt includes term loans as well as working capital and capital expenditure facilities The term of the facilities is a minimum of 6 years part of which is repayable on an installment basis Standard financial covenants apply to the Group in respect of the debt in relation to cashflow and interest cover leverage and capital expenditure

During the acquisition process the Directors prepared detailed forecasts for the next 4 years These forecasts have been reviewed during the approval of these accounts and the Directors are confident that taking account of reasonably possible changes in trading performance the Group will be able to operate within the level of its current facility and meet all relevant covenants

The Directors of this company also consider that there are sufficient financial resources together with long term contracts with a number of customers and suppliers across a range of sectors As a consequence the Directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook, and expect that it will continue to generate positive cash flows on its own account for the foreseeable future

The Directors have a strong expectation that the company has adequate resources to trade profitably for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements

(c) Revenue Recognition

Revenue is generally recognised when all contractual obligations have been met in accordance with IAS18 Normally this occurs at the point when the sale is invoiced The specific treatment for each category of revenue is set out below

License and prepaid revenue is non-recourse and therefore recognised at the date of invoice as are contracted minimum revenues Revenue which is transactional is invoiced and recognised in the month of usage Interest income is recognised on an accruals basis Where a project spans more than one period or year the revenue is recognised when all of the following have occurred

- (a) the revenue can be reliably measured
- (b) it is probable that the economic benefits will flow to the company
- (c) at the balance sheet date the stage of completion can be measured reliably
- (d) transaction costs and costs to completion can be measured reliably

Callcredit Information Group Limited

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies (continued)

(d) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and any provision for impairment. Depreciation is calculated to write off the cost of tangible fixed assets less estimated residual value over their estimated useful lives as set out below on a straight line basis unless stated otherwise.

Leasehold Improvements	-10% straight line
Office Equipment	-20-50% straight line
Motor Vehicles	-25% reducing balance

Fixed asset purchases are depreciated on a monthly basis from the date the asset is available for utilisation. Profits and losses on the sale of these assets are included within the depreciation charge except where these are material when they are separately disclosed.

(e) Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Any negative goodwill arising on an acquisition is recognised directly in profit or loss. Expenditure on internally generated goodwill is recognised in the Income Statement as an expense as incurred. In accordance with IAS 36 'Impairment of Assets', goodwill is not amortised but is tested annually for impairment. The results of the impairment review undertaken for the year ended 31 December 2009 confirm that no impairment has occurred.

(f) Critical accounting estimates and judgements

The recoverable amount of goodwill is determined from value in use calculations. The value in use calculations are carried out by discounting the future cashflows of the cash generating unit, usually the subsidiary undertaking and comparing this to value in use. The key assumptions used in these calculations are those regarding discount rates and future growth in profitability of the cash generating units. Callcredit Information Group Limited estimates discount rates based on the market participant's cost of capital whilst profitability is based upon projected future cashflows (excluding those related to interest and taxation) taken from approved budgets for the next three years extrapolated forward up to 20 years based upon the long term expected growth rate of 2%.

(g) Investments

In the Company's financial statements, investments in subsidiary undertakings are stated at cost less any impairment in value. In accordance with IAS 36 'Impairment of Assets' the investments are reviewed annually to identify any indicators of impairment. Where any indication of impairment is identified, then impairment testing is carried out in accordance with the guidance in this standard. For the year ended 31 December 2009 no indications of impairment were found.

(h) Intangible assets

Intangible assets include deferred development costs, internally created databases and purchased data assets that in the opinion of the directors meet the definition of an intangible asset as defined in IAS 38 'Intangible Assets'. Amortisation is charged to the Income Statement on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the day they are available for use. The estimated useful lives are as follows:

Databases and purchased data assets - straight line depreciation over 1-6 years
Deferred development costs - straight line depreciation over 3 - 10 years
Customer contracts - over period of the contract

Internally created databases comprise the data purchase and capture costs of internally developed databases, for use by customers to determine the credit-worthiness of individuals. The costs are capitalised as development costs in accordance with IAS38.

Purchased data assets comprise data sets purchased externally for resale on a licensed basis and incorporation into the Group's products which fulfil the IAS38 definition of intangible assets.

Deferred development expenditure comprises the product development costs of commercially exploitable systems to the extent that they are recoverable.

An annual review is undertaken of intangible fixed assets to establish whether there are any indications of impairment. Should this be the case an impairment review is performed in accordance with IAS 36 by comparing the carrying value to the net present value of future cash flows. The results of the impairment review performed at the 31 December 2009 year end confirmed that no indications of impairment were present. IAS 36 further requires impairment testing of any intangible assets not yet available for use. Within EuroDirect and Legatio certain developments fall into this category and impairment testing has been carried out on these in accordance with IAS 36. No indications of impairment were identified by this testing.

(i) Operating leases

Costs of operating leases are charged to the Income Statement on a straight line basis over the lease term.

Callcredit Information Group Limited

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies (continued)

(j) Taxation

Income tax on the profits for the year comprises current tax and deferred tax. Income tax is recognised in the Income Statement except where items are recognised directly in equity, in which case the associated income tax asset or liability is recognised via equity.

Current tax is the expected tax payable on the income for the year, using tax rates enacted or substantially enacted on the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, which recognises temporary differences between the date carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet.

(k) Pensions

The majority of company employees are members of the Callcredit Information Group stakeholder pension scheme where the assets are held in an independently administered scheme. Contributions are charged to the Income Statement and are included in staff costs.

(l) Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to sterling at the foreign exchange rate at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair values are translated to sterling at foreign exchange rates ruling at the dates the fair value was determined.

(m) Financial instruments and derivatives

The group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational activities. In accordance with its treasury policy, the group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially at cost. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the income statement.

(n) Cash and cash equivalents

For the purpose of the cash flow statement, cash comprises cash in hand and loans and advances to credit institutions repayable on demand, and cash and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less.

The cash flow statement has been prepared using the indirect method.

(o) Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested, dividend income, foreign exchange gains and losses on hedging instruments that are recognised in the income statement.

Interest income is recognised in the income statement as it accrues, using the effective interest rate method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established which in the case of quoted securities is usually the ex-dividend date. The interest expense component of finance lease payments is recognised in the income statement using the effective interest rate method.

Callcredit Information Group Limited

NOTES TO THE FINANCIAL STATEMENTS

2 Profit from operations

	Group	Group
	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
Profit from operations has been arrived at after charging (crediting)		
Depreciation of property, plant and equipment	1,345	1,176
Amortisation of intangibles	2,905	2,702
Staff costs (see note 6)	22,494	19,527
Rentals payable under operating leases	1,683	1,096
Foreign exchange currency differences	-	(73)
Profit on disposal of property, plant and equipment	(10)	(11)
Unwind of put option	(27)	15
Auditors' remuneration and expenses		
Group		
Audit of these financial statements	64	77
Company		
Audit of these financial statements	6	5

3 Financial income

	Group	Group
	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
Other interest	2	11
	2	11

4 Finance Costs

	Group	Group
	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
Put option - unwind of discount	-	15
Interest payable to group undertakings	396	1,412
Other	8	26
	404	1,453

5 Other operating income

	Group	Group
	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
Rents receivable under operating leases	36	51
	36	51

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

6 Staff numbers and costs

The average monthly number of persons employed by the Group (including executive directors but excluding non-executive directors) during the period was as follows

	Group	
	Year ended 31 December 2009	Year ended 31 December 2008
Sales	113	144
Operations	402	336
Administration	127	160
	642	640

The aggregate payroll costs of these persons was as follows

	£'000s	£'000s
Wages and salaries	21 344	18 392
Social security costs	2,165	2 098
Other pension costs	1,083	951
	24,592	21,441

During the year £2,098,000 which has been included in the staff costs set out above was capitalised within additions to deferred development assets as shown in note 11 (2008 £1,914,000)

Pension costs include £12,000 (2008 £18,000) contributions to the Skipton Building Society defined benefit pension scheme. The persons for whom these benefits were paid have now left Callcredit Information Group and as such the Group no longer has any outstanding liabilities or obligations in this respect.

The Company had no employees and therefore no staff costs during the current or preceding periods.

	Group	
7 Directors' remuneration and transactions	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
<i>Remuneration</i>		
The remuneration of the directors was as follows		
Emoluments	190	445
Pension costs	10	25
	200	470

Highest paid director

The above amounts for remuneration include the following in respect of the highest paid director:

Emoluments	135	303
Pension costs	10	17
	145	320

Pensions

Retirement benefits are accruing to the following number of directors

Defined contribution schemes	1	2
------------------------------	---	---

Calcredit Information Group Limited

NOTES TO THE ACCOUNTS

8 Taxation

A reconciliation of current tax on profit / (loss) on ordinary activities at the standard UK corporation tax rate to the actual tax expense / (income) is as follows

	Group	
	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
a) Analysis of tax expense in the year		
Current tax		
Current tax at 28% (2008 28.5%)	2,159	443
Adjustment for prior years	(13)	-
Total Current Tax	2,146	443
Deferred tax		
Adjustments relating to the prior year	(15)	-
Origination and reversal of temporary differences	(236)	1,061
Recovery to taxable losses	147	-
Current year adjustments	75	-
Other	11	-
Total Deferred Tax	(18)	1,061
Income tax expense / (credit)	2,128	1,504

b) Factors affecting current tax expense / (income) in the year

A reconciliation of tax on the profit / (loss) on ordinary activities at the standard UK corporation tax rate to actual tax expense / (credit) is as follows

Profit on ordinary activities before tax	7,095	4,614
Tax on profit on ordinary activities at UK standard rate of 28% (2008 28.5%)	1,987	1,292
Effects of		
- Origination and reversal of temporary differences	-	-
- expenses not deductible for tax purposes	159	340
- utilisation of tax losses	-	-
- adjustment to tax in respect of prior periods	(18)	(45)
- Other	-	(83)
Income tax charge / (credit)	2,128	1,504

9 Cash and cash equivalents

	Group		Company	
	Year ended 31 December 2009	Year ended 31 December 2008	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s	£'000s	£'000s
Bank balances	2,195	391	33	2
Cash and cash equivalents	2,195	391	33	2

Calcredit Information Group Limited

NOTES TO THE ACCOUNTS

10 Trade and other receivables

Group

	Year ended 31 December 2009 £'000s	Year ended 31 December 2008 £'000s <i>Restated</i>
Prepayments and accrued income	2,549	2 506
Trade debtors	12,973	12,174
Amounts owed by Group undertakings	-	10
Other	154	420
Total	15,676	15 110

The ageing of trade debtors at the reporting date was

	2009 £'000s Gross	2009 £'000s Impairment	2008 £'000s Gross	2008 £'000s Impairment <i>Restated</i>
Not past due	9,027		7,885	(28)
Past due 0-30 days	2,593	(1)	2,806	(18)
Past due 31-120 days	1,031	(1)	936	(1)
Past due 120 days plus	1,166	(842)	1,179	(585)
Total	13,817	(844)	12 806	(632)

The movement in the allowance for impairment in respect of trade debtors during the year was as follows

	2009 £'000s	2008 £'000s <i>Restated</i>
At 1 January	(632)	(268)
Provisions made during the year	(513)	(644)
Debtors written off during the year	99	109
Provisions no longer required	202	171
At 31 December	(844)	(632)

The bad debt provision has been restated to include all credit note provisions which were previously included under the accruals and deferred income caption within trade and other payables

Company

	Year ended 31 December 2009 £'000s	Year ended 31 December 2008 £'000s
VAT	-	20
Amounts owed by Group undertakings	14,981	19,878
Other	37	144
Total	15,018	20 042

None of the amounts owed to the Company are in respect of trading balances

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

11 Intangible assets

	Group				
	Goodwill £'000s	Customer Contracts	Databases & Purchased Data Assets £'000s	Deferred Development Expenditure £'000s	Total £'000s
Cost					
At 1 January 2009	31 131	373	8 207	12,792	52 503
Minority Interest/Put Option	257				257
Additions			1,148	2 635	3 783
Disposals			(600)		(600)
At 31 December 2009	31,388	373	8,755	15,427	55,943
Amortisation and impairment losses					
At 1 January 2009	-	124	4,113	4,794	9 031
Amortisation for the year		128	1,306	1 471	2 905
Eliminated on Disposal			(600)		(600)
At 31 December 2009	-	252	4,819	6,265	11,336
Carrying amounts					
At 1 January 2009	31 131	249	4,094	7 998	43 472
At 31 December 2009	31,388	121	3,936	9,162	44,607

	Group				
	Goodwill £'000s <i>Restated</i>	Customer Contracts £'000s <i>Restated</i>	Databases & Purchased Data Assets £'000s	Deferred Development Expenditure £'000s	Total £'000s
Cost					
At 1 January 2008	31,067	373	5,994	10 904	48 338
Adjustment	0	-	-	-	0
Minority Interest/Put Option	224	0	-	-	224
Additions	-	-	2 213	1,914	4,127
At 31 December 2008	31,131	373	8,207	12,792	52,503
Amortisation and impairment losses					
At 1 January 2008	-	-	2,969	3,369	6 338
Amortisation for the year	-	124	1,144	1 434	2 702
At 31 December 2008	-	124	4,113	4,794	9,031
Carrying amounts					
At 1 January 2008	31,067	373	3,025	7 535	42,000
At 31 December 2008	31,131	249	4,094	7,998	43,472

The Company holds no intangible fixed assets

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

	Group			
12 Property, plant and equipment				
	Leasehold Improvements £'000s	Office Equipment £'000s	Motor Vehicles £'000s	Total £'000s
Cost				
At 1 January 2009	1,612	4,023	66	5,701
Additions	53	1,455		1,508
Disposals		(3)	(40)	(43)
At 31 December 2009	1,665	5,475	26	7,166
Accumulated Depreciation and impairment				
At 1 January 2009	528	2,534	40	3,102
Depreciation charge for the year	267	1,072	6	1,345
Eliminated on Disposals			(30)	(30)
At 31 December 2009	795	3,606	16	4,417
Carrying amounts				
At 31 December 2009	870	1,869	10	2,749
At 1 January 2009	1,084	1,489	26	2,599

	Group			
	Leasehold Improvements £'000s	Office Equipment £'000s	Motor Vehicles £'000s	Total £'000s
Cost				
At 1 January 2008	1,407	2,980	66	4,453
Additions	205	1,051	-	1,256
Acquired with subsidiaries				-
Disposals	-	(8)	-	(8)
At 31 December 2008	1,612	4,023	66	5,701
Accumulated Depreciation and impairment				
At 1 January 2008	302	1,601	25	1,928
Depreciation charge for the year	226	935	15	1,176
Eliminated on Disposals	-	(2)	-	(2)
At 31 December 2008	528	2,534	40	3,102
Carrying amounts				
At 31 December 2008	1,084	1,489	26	2,599
At 1 January 2008	1,105	1,379	41	2,525

The Company holds no tangible fixed assets

None of the assets included above are held under finance leases

Calcredit Information Group Limited

NOTES TO THE ACCOUNTS

13 Investments

Shares in Subsidiary Undertakings	Company	
	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
Cost and Net Book Value		
At start of period	44,702	44,578
Put options	257	284
Minority Interest in Calcredit Marketing Solutions Limited	-	(160)
At end of period	44,959	44,702

At 31st December 2009 the Company held interests in the following principal subsidiary undertakings. The interests remain unchanged from the previous year end in respect of Calcredit, Calcredit Marketing, GMAP, Legato and DecisionMetrics. In December 2009 the 2.29% minority interest in Calcredit Marketing Solutions was brought back from the company's senior management. During the year the dormant company N&P Limited which was fully owned by Calcredit Marketing Limited at the previous year end was wound up.

Name of subsidiary	Principal Business Activity	Type of Shares Held	Proportion of Shares Held	Immediate Parent
Calcredit Limited	Credit Referencing	Ordinary Shares	100% (50% directly owned and 50% indirectly owned through EuroDirect)	Calcredit Information Group Limited
Calcredit Marketing Limited	Database Marketing	Ordinary Shares	100%	Calcredit Information Group Limited
GMAP Limited	Non-trading company	Ordinary Shares	100%	Calcredit Marketing Limited
Legato Technologies Limited	Identity checking and data processing	Ordinary Shares	75%	Calcredit Information Group Limited
DecisionMetrics Limited	Scorecard building and data analysis	Ordinary Shares	75%	Calcredit Information Group Limited
Calcredit Marketing Solutions Limited	Database Marketing	Ordinary Shares	100%	Calcredit Information Group Limited
N & P	Dormant company	Ordinary Shares	100%	Calcredit Marketing Limited
Call@credit plc	Dormant company	Ordinary Shares	100%	Calcredit Information Group Limited

All the above companies are incorporated and registered in England and operate in the United Kingdom.

14 Deferred tax

The movement on the deferred tax account is as shown below	Group Deferred tax asset	
	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s
At start of period	(299)	(1,360)
Income statement charge/(credit)	(18)	1,061
At end of period	(317)	(299)

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

14 Deferred tax (continued)

Deferred tax assets	Capital allowances £'000s	Tax Losses £'000s	Total £'000s
At 1 January 2008	(594)	(1 231)	(1 825)
Acquired with subsidiary			-
Charged/(credited) to profit and loss account		1 084	1 084
At 31 December 2008	(594)	(147)	(741)
Charged/(credited) to profit and loss account	40	147	187
At 31 December 2009	(554)	-	(554)
Deferred tax liabilities			
At 1 January 2008	465	-	465
Acquired with subsidiary		-	-
Charged/(credited) to profit and loss account	(23)	-	(23)
At 31 December 2008	442	-	442
Charged/(credited) to profit and loss account	(205)	-	(205)
At 31 December 2009	237	-	237
Net deferred tax liability/(asset)			
At 31 December 2009	(317)	-	(317)
At 31 December 2008	(152)	(147)	(299)

15 Trade and other payables

	Group		Company	
	Year ended 31 December 2009	Year ended 31 December 2008 Restated	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s	£'000s	£'000s
Trade creditors	2 268	1 646	472	-
Amounts owed to group undertakings	19,788	24 572	27 478	-
VAT	1 250	1 779	102	-
Directors' loans	386	-	-	-
Deferred consideration	1,075	-	1 075	-
Accruals and deferred income	6 088	3,968	175	5
	30,855	31,965	29,302	5

The 2008 accruals and deferred income have been restated to remove the credit note provision from this caption and net off against debtors

Callicredit Information Group Limited

NOTES TO THE ACCOUNTS

16 Long term liabilities

	Group		Company	
	Year ended 31 December 2009	Year ended 31 December 2008	Year ended 31 December 2009	Year ended 31 December 2008
	£'000s	£'000s	£'000s	£'000s
Long term loan	-	388	-	-
Put option liability	677	648	677	648
Deferred consideration upon acquisitions	-	1,149	-	1,149
	677	2,183	677	1,797

The second and final tranche of the deferred consideration falls due on 31st March 2010 and therefore has been moved to trade and other payables at this year end

The long term loan relates to a funding arrangement of the subsidiary company DecisionMetrics. The loan becomes fully repayable in the year in which DecisionMetrics achieves a predetermined profit level. This level has been reached for the year ended 31 December 2009 and therefore this has become a current liability.

Under the terms of the sale and purchase agreements Legato and DecisionMetrics minority shareholders have the option to sell up to 100% of their remaining shares to Callicredit Information Group Limited in tranches on predetermined dates. The first opportunity that part of the put option can be exercised within the 60 day period following approval of the 31st December 2009 financial statements. The financial liability above represents the present value of these put options. The above liability has been calculated using the assumption that all put options will be exercised during 2011.

The movements on the put options during the year were:

1. Reduction in put option liability (£223k) as Callicredit Information Group re-purchased the 2.29% shareholding in Callicredit Marketing Solutions Limited held by senior management as part of the change in ownership of the Group.
2. Increase in put option liability (£280k) to reflect the increase in value of the two subsidiary companies.

A maturity analysis of these financial liabilities is set out below:

Maturity analysis - Group	0-3 months £'000s	3-12 months £'000s	1-5 years £'000s
Amounts owed to group companies	-	-	-
Amounts owed to external parties	-	-	-
Put option liability	-	-	677
Deferred consideration upon acquisitions	-	-	-
Total Liabilities	-	-	677

Maturity analysis - Company	0-3 months £'000s	3-12 months £'000s	1-5 years £'000s
Amounts owed to group companies	-	-	-
Amounts owed to external parties	-	-	-
Put option liability	-	-	677
Deferred consideration upon acquisitions	-	-	-
Total Liabilities	-	-	677

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

17 Share Capital

	Group and Company	
	31 December 2009	31 December 2008
	£'000s	£'000s
Authorised		
300,000,000 ordinary 10p shares	30,000	30,000
	30,000	30,000
Issued and fully paid		
6,666,240 ordinary 10p shares	667	667
	667	667

The rights attached to the 10p ordinary shares are set out below

Dividends

Any profits which the company determines to distribute shall be applied *par passu* according to the number of ordinary shares actually held by each shareholder

Capital

On a return of capital on liquidation or capital reduction or otherwise the surplus assets of the company remaining after payment of all its liabilities shall be applied to each shareholder, first, any dividends in respect of his ordinary shares which have been declared but are unpaid and, secondly, an amount equal to the issue price of each share held by him

Voting

Each shareholder is entitled to receive notice of and to attend and speak at any general meeting of the company. The shareholders who are present in person or by proxy or who are represented by a duly authorised representative shall, on a show of hands, have one vote each, and, on a poll, have one vote for each share of which he is the holder

Redemption of Ordinary Shares

Subject to the provisions of the Companies Act

(a) A shareholder may by giving notice in writing to the company require the company to redeem some or all of his ordinary shares immediately prior to and conditionally upon the occurrence of a Listing

(b) The company shall pay on each share redeemed (exclusive of the related associated tax credit) an amount equal to the issue price thereof

(c) The company shall pay to each registered holder of ordinary shares which are to be redeemed on that date the amount payable in respect of such redemption. Upon receipt of that amount, the holder shall deliver to the company for cancellation the certificate(s) for those ordinary shares or an indemnity in form reasonably satisfactory to the company in respect of any missing share certificate

(d) If the company is permitted by the Companies Act to redeem only some of the ordinary shares which would otherwise be redeemed at the time, the company shall only redeem the number of such ordinary shares that it can so redeem at that time. The company shall redeem as soon thereafter as it may do so all the remaining ordinary shares which would otherwise have been redeemed and pending such redemption shall not pay any dividend

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

18 Reconciliation of movement in capital and reserves

	Group				
	Share Capital £'000s	Share Premium £'000s	Retained Earnings £'000s	Capital Redemption Reserve £'000s	Total Equity £'000s
Balance at 1 January 2009	667	900	(2,127)	28,433	27,873
Profit for the period	-	-	4,967	-	4,967
Balance at 31 December 2009	667	900	2,840	28,433	32,840

Balance at 1 January 2008	667	900	(5,237)	28,433	24,763
Profit for the period	-	-	3,110	-	3,110
Balance at 31 December 2008	667	900	(2,127)	28,433	27,873

	Company				
	Share Capital £'000s	Share Premium £'000s	Retained Earnings £'000s	Capital Redemption Reserve £'000s	Total Equity £'000s
Balance at 1 January 2009	667	900	53	28,433	30,053
Profit for the period	-	-	51	-	51
Balance at 31 December 2009	667	900	104	28,433	30,104
Balance at 1 January 2008	667	900	47	28,433	30,047
Profit for the period	-	-	6	-	6
Balance at 31 December 2008	667	900	53	28,433	30,053

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

19 Related Party Transactions

DMWSL 620 Limited is the ultimate controlling company incorporated in England and Wales. For the period 7th December to the year end, the Group had related party arrangements with DMWSL 620 Limited and the other companies related to it. Up until the change of ownership on 7th December 2009, the Group had relationships with other companies in the Skipton Group. All related party transactions are on an arm's length basis.

Transaction	2009 £'000s	2008 £'000s
a) Net Interest		
<i>Interest payable</i>	396	1,453
Total	396	1,453
b) Sales of goods and services		
<i>Trade sales</i>	351	357
<i>Office Rental</i>	33	36
Total	384	393
c) Purchase of goods and services		
<i>Recharges of salaries and services</i>	(62)	(418)
Total	(62)	(418)
d) Outstanding balances		
<i>Interest payable</i>	(68)	
<i>Sales of goods and services</i>	-	(10)
<i>Purchase of services</i>	-	(309)
<i>Funding</i>	(19,720)	(24,263)
Total	(19,788)	(24,582)

There are no provisions in respect of sales of goods and services to Related Parties, either at 31 December 2008 or at 31 December 2009.

Callcredit Information Group Limited

NOTES TO THE ACCOUNTS

19 Related Party Transactions (continued)

DMWSL 620 Limited is the ultimate controlling company incorporated in England and Wales. For the period 7th December to the year end, the Company had related party arrangements with DMWSL 620 Limited and the other companies related to it. Up until the change of ownership on 7th December 2009, the Company had relationships with other companies in the Skipton Group. All related party transactions are on an arm's length basis.

Transaction	Amount	
	2009	2008
	£'000s	£'000s
a) Net Interest		
<i>Interest receivable</i>	208	1,054
<i>Interest payable</i>	(457)	(1,864)
Total	(249)	(810)
b) Sales of goods and services		
<i>Recharges of salaries and services</i>	4,378	1,229
Total	4,378	1,229
c) Purchases of goods and services		
<i>Recharge of services</i>	(62)	(158)
Total	(62)	(158)
d) Outstanding balances		
<i>Interest receivable</i>		
<i>Interest payable</i>	(71)	(15)
<i>Recharge of salaries and services</i>	408	142
<i>Funding</i>	(27,410)	(32,981)
<i>Monies deposited</i>	14,576	19,736
Total	(12,497)	(13,118)

Calcredit Information Group Limited

NOTES TO THE ACCOUNTS

20 Capital Commitments

The Group has total commitments due under operating leases. At the balance sheet date these were as follows

	Year ended 31 December 2009	Year ended 31 December 2008
Land and Buildings	£'000s	£'000s
<i>On leases expiring</i>		
<i>Within one year</i>	1,520	1,340
<i>Within two to five years</i>	3,617	5,068
<i>Later than 5 years</i>	-	-
	5,137	6,408

	Year ended 31 December 2009	Year ended 31 December 2008
Other	£'000s	£'000s
<i>On leases expiring</i>		
<i>Within one year</i>	70	106
<i>Within two to five years</i>	93	134
	163	240

The Company had no capital commitments at either the current or previous period end

Up until 7th December 2009 the Company and Group were party to Skipton Building Society group banking arrangements involving the pooling of funds with other companies of that group

21 Ultimate Parent Undertaking

The ultimate parent undertaking is DMWSL 620 Limited, which is registered in the United Kingdom. This is the highest company for which financial statements will be prepared. The immediate parent company is DMWSL 617 Limited.

Calcredit Information Group Limited is currently the largest group for which consolidated accounts are available and copies can be obtained from the address below

The Secretary
One Park Lane
Leeds
LS3 1EP