

Workload Financial Business Consultants Limited

Report and Financial Statements

31 December 2012

Registered number: SC113401

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COMPANIES HOUSE

Company Information

Directors

S Holtzclaw
N Khimasia

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds LS11 5QR

Bankers

The Royal Bank of Scotland plc
116 Cowgate
Kirkintilloch
G66 1JX

Registered Office

54 Deerdynes View
Westfield Park
Cumbernauld
G68 9HN

Registered No: SC113401

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and independent auditor's report, for the year ended 31 December 2012.

Principal activities and review of the business

The principal activity of the company continued to be that of software consultancy and the provision of data to the insurance and financial sectors.

The economic environment continued to be challenging for companies engaged mainly in the insurance and financial services sectors. On an annualised basis the company saw a reduction in its revenues of 9.4%. This was primarily due to customers consolidating or exiting the markets in which the company operates. The directors are pleased to note however that operating margins for the year continue to be very strong at 47% (9 months to 31 December 2011 - 52%). This has been achieved despite the proportion of fixed costs inherent within the company's operating model and the investment in the year in talent and technology.

The balance sheet for the company shows a reduction in Shareholder's funds from £1.4m to £1.0m at December 2012 after paying dividends in the year of £2.0m. The company had net current assets of £0.8m.

Principal risks and uncertainties

The company's principal risk factors are:

- Changes in UK economic conditions and movements in interest rates that materially impact consumer spending on investment products ;
- Our ability to successfully develop and market new products and services;
- Pricing and other competitive pressures which could result in a loss of customers or a rate of increase or decrease in prices for our services different than past experience;
- Changes in laws and regulations governing our business and the application of existing laws;
- Disruptions in our business critical systems and operations which could interfere with our ability to deliver services to our customers; and
- Risks relating to illegal third party efforts to access data and our operating systems.

The board has strategies to manage these risks and remains confident of the continued success of the company.

Liquidity position

At 31 December 2012 the company had a balance of £582,766 of cash at bank or in hand down from £1.4m at 31 December 2011. The company had no short term borrowing and no long-term debt. The company continues to have strong cash flows and the directors are confident that it has the resources to meet its obligations as they fall due.

Key performance indicators

Management focuses on a variety of key indicators to monitor operating and financial performance. These performance indicators include measurements of revenue, revenue growth, profit before interest and tax and staffing levels. The key performance indicators for the year ended 31 December 2012 and the 9 months to 31 December 2011 were as follows:

<i>KPI</i>	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>	<i>Growth Annualised</i>
Revenue	£4.25m	£3.52m	(9.4%)
Profit before interest and tax	£1.99m	£1.84m	(18.9%)
Average number of employees	25	21	19.0%

Future developments

The directors are confident of the long term prospects of the company, which is well established with a diversified portfolio of products and clients. Whilst economic conditions in the UK continue to be uncertain the directors are confident of the abilities of their employees and the quality of their products.

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Directors' report

Results and dividends

The profit for the year after taxation amounted to £1,615,642 (9 months to 31 December 2011 – profit of £1,361,443). The company paid a dividend of £2,000,000 (9 months to 31 December 2011 – £2,790,591).

Directors

The directors who served during the year and up to the date of this report are as shown below:

S Holtzclaw

N Khimasia

Employee consultation and disabled employees

The company places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on various factors affecting the performance of the company.

Applications for employment by disable persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged.

Supplier payment policy

The company's policy is to agree terms of payment with suppliers when establishing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment.

Charitable and political contributions

During the year the company made no charitable or political donations (9 months to 31 December 2011 – nil).

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Statement on the disclosure of the information to auditors

So far as the directors are aware:

- There is no relevant audit information of which the company's auditors are unaware;
- The directors have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of this information.

On behalf of the Board



N Khimasia

Director

13 June 2013

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 company and of the profit or loss of the company for that period. In preparing these 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 applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the members of Workload Financial Business Consultants Limited

We have audited the financial statements of Workload Financial Business Consultants Limited for the year ended 31 December 2012 which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 and express an opinion on 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report

to the members of Workload Financial Business Consultants Limited

(continued)

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Alastair John Richard Nuttall (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
Leeds

14 June 2013

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Profit and loss account
for the year ended 31 December 2012

		<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Turnover		4,250,213	3,517,165
Administrative expenses		(2,264,464)	(1,676,447)
Operating profit	2	1,985,749	1,840,718
Interest payable and similar charges		—	(206)
Bank interest receivable		26,685	—
Profit on ordinary activities before taxation		2,012,434	1,840,512
Tax on profit on ordinary activities	4	(396,792)	(479,069)
Profit for the financial year	11	<u>1,615,642</u>	<u>1,361,443</u>

Movement on reserves is shown in Note 11.

All the results arose from continuing operations.

The accompanying notes are an integral part of the company's profit and loss account.

There are no recognised gains or losses in either period other than the result of that period and so a separate statement of total recognised gains and losses has not been presented.

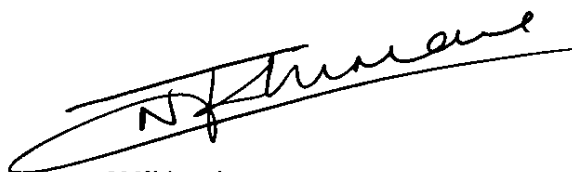
Workload Financial Business Consultants Limited

Registered No: SC113401

Balance sheet at 31 December 2012

	Notes	2012 £	2011 £
Fixed assets			
Intangible assets	6	173,746	—
Tangible assets	7	39,146	21,856
		<u>212,892</u>	<u>21,856</u>
Current assets			
Debtors	8	1,328,887	1,277,058
Cash at bank and in hand		582,766	1,384,768
		<u>1,911,653</u>	<u>2,661,826</u>
Creditors: amounts falling due within one year	9	(1,114,539)	(1,289,318)
Net current assets		<u>797,114</u>	<u>1,372,508</u>
Total assets less current liabilities		<u>1,010,006</u>	<u>1,394,364</u>
Capital and reserves			
Called up share capital	10	20	20
Profit and loss account	11	1,009,986	1,394,344
Shareholder's funds		<u>1,010,006</u>	<u>1,394,364</u>

The financial statements were approved for issue by the board on 13 June 2013 and were signed on its behalf by:



N Khimasia
Director

Notes to the financial statements

at 31 December 2012

1. Accounting policies

Basis of preparation

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

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' report pages 2 and 3. The financial position of the company and liquidity position are also described in the Balance sheet.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Revenue Recognition

Revenue comprises the value of sales (excluding VAT and trade discounts) of services provided in the normal course of business. Revenue is recognised as services are provided.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax liabilities and assets are not discounted.

Intangible fixed assets

Intangible fixed assets comprise deferred programming costs.

Intangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment.

Programming costs are deferred when these are incurred in the development of commercially exploitable systems. All intangible fixed assets are amortised in equal instalments over the periods in which the benefits of these assets are expected to accrue, as follows:

Deferred programming costs – 3 to 10 years

Additional amortisation is charged where the directors believe that this results in a book value, which more fairly reflects the amount recoverable through the future use of the asset.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Computer equipment	–	3 to 10 years
Fixtures, fittings and equipment	–	period of lease

Trade debtors

Trade debtors are recorded at their fair value less an allowance for any doubtful debts.

Trade creditors

Trade creditors are stated at their fair value.

Notes to the financial statements

at 31 December 2012

1. Accounting policies (continued)

Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge in the year represents contributions payable by the company to the fund.

Finance Costs

Interest is expensed as incurred.

Notes to the financial statements

at 31 December 2012

2. Operating profit

This is stated after charging:

	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>£</i>	<i>£</i>
Auditor's remuneration	10,000	10,000
Operating lease rentals – property	33,821	22,024
Depreciation of tangible assets	17,798	15,914
Depreciation of intangible assets	49,642	–

3. Staff costs

a) Staff costs and numbers

The average monthly number of employees was:

	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>Number</i>	<i>Number</i>
Sales	11	7
Operations	14	14
	<u>25</u>	<u>21</u>

Their aggregate remuneration comprised:

	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>£</i>	<i>£</i>
Wages and salaries	1,391,258	1,015,519
Social security costs	116,049	123,802
Pension costs	64,960	26,367
	<u>1,572,267</u>	<u>1,165,688</u>

b) Directors' remuneration

No director received emoluments from the company during the year. The directors do not believe that it is practicable to apportion their total remuneration borne by another company between their services as directors of the company and their services of fellow subsidiary companies.

The total amount for directors' remuneration and other benefits were as follows:

	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>£</i>	<i>£</i>
Emoluments	1,411,513	1,098,757
Company contributions to a defined contribution pension scheme	14,109	12,520
	<u>1,425,622</u>	<u>1,111,277</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (9 months to 31 December 2011 – 1).

1 director exercised share options during the year (9 months to 31 December 2011 – none).

Notes to the financial statements

at 31 December 2012

3. Staff costs (continued)

Highest paid director

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

	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>£</i>	<i>£</i>
Emoluments	1,209,952	919,901
	<u>1,209,952</u>	<u>919,901</u>

The highest paid director exercised share options during the year (9 months to 31 December 2011 – none).

4. Taxation on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>£</i>	<i>£</i>
<i>Current tax:</i>		
UK corporation tax on the profit for the year	500,418	482,143
Adjustment in respect of prior years	(99,608)	–
Total current tax (note 4(b))	<u>400,810</u>	<u>482,143</u>
<i>Deferred tax:</i>		
Credit for the year	(3,802)	(2,963)
Effect of change in rate of tax	273	(111)
Adjustment in respect of prior years	(489)	–
Total deferred tax (note 4(d))	<u>(4,018)</u>	<u>(3,074)</u>
Tax on profit on ordinary activities	<u>396,792</u>	<u>479,069</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 24.5% (2011 - 26%). The differences are reconciled below:

	<i>Year ended 31 December 2012</i>	<i>9 months to 31 December 2011</i>
	<i>£</i>	<i>£</i>
Profit on ordinary activities before tax	<u>2,012,434</u>	<u>1,840,512</u>
Profit on ordinary activities multiplied by the rate of tax	493,046	478,533
Effects of:		
Expenses not deductible for tax purposes	3,570	647
Depreciation in excess of capital allowances	3,802	2,963
Adjustments in respect of previous periods	(99,608)	–
Total current tax (note 4(a))	<u>400,810</u>	<u>482,143</u>

Notes to the financial statements

at 31 December 2012

4. Taxation on profit on ordinary activities (continued)

(c) Factors affecting future tax charges

The budget on 20 March 2013 announced certain tax changes which will impact the Company's future tax position. The proposals included phased reductions in the UK corporation tax rate to 20% from 1 April 2015. As at 31 December 2012, only the previously announced reduction in the rate to 23% had been 'substantively enacted' and this has been reflected in the Company's financial statements as at 31 December 2012. The effect of the reduction on the UK corporation tax rate to 20% on the Company's deferred tax asset would be to reduce the deferred tax asset by £528.

(d) Deferred taxation

The deferred tax balance is as follows:

	2012 £	2011 £
Included in debtors (Note 8)	4,049	31
	<u>4,049</u>	<u>31</u>
	2012 £	2011 £
Decelerated capital allowances	4,049	31
	<u>4,049</u>	<u>31</u>

5. Dividends

	Year ended 31 December 2012 £	9 months to 31 December 2011 £
Ordinary: interim paid £100,000 per share (2011 - £139,529.55 per share)	2,000,000	2,790,591
	<u>2,000,000</u>	<u>2,790,591</u>

6. Intangible fixed assets

	Deferred programming costs £
Cost:	
At 1 January 2012	—
Additions	223,388
At 31 December 2012	<u>223,388</u>
Depreciation:	
At 1 January 2012	—
Provided during the year	49,642
At 31 December 2012	<u>49,642</u>
Net book value:	
At 31 December 2012	<u>173,746</u>
At 31 December 2011	<u>—</u>

Notes to the financial statements

at 31 December 2012

7. Tangible fixed assets

	Computer equipment £	Fixtures, fittings and equipment £	Total £
Cost:			
At 1 January 2012	35,012	17,958	52,970
Additions	35,088	–	35,088
Disposals	(4,155)	–	(4,155)
Reclassification	(3,935)	3,935	–
At 31 December 2012	62,010	21,893	83,903
Depreciation:			
At 1 January 2012	20,522	10,592	31,114
Provided during the year	11,636	6,162	17,798
Disposals	(4,155)	–	(4,155)
At 31 December 2012	28,003	16,754	44,757
Net book value:			
At 31 December 2012	34,007	5,139	39,146
At 31 December 2011	14,490	7,366	21,856

8. Debtors

	2012 £	2011 £
Falling due within one year:		
Trade debtors	541,346	503,764
Loan to fellow group undertaking	757,913	757,000
Prepayments	25,579	16,263
	1,324,838	1,277,027
Falling due after more than one year:		
Deferred tax (Note 4)	4,049	31
	1,328,887	1,277,058

9. Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	3,213	3,450
Corporation tax	219,466	395,712
Amounts due to group undertakings	270,920	59,086
Other taxation and social security	187,417	268,420
Accruals and deferred income	433,523	562,650
	1,114,539	1,289,318

Notes to the financial statements

at 31 December 2012

10. Issued share capital

	<i>Allotted, called up and fully paid</i>			
	<i>No.</i>	<i>2012</i> £	<i>No.</i>	<i>2011</i> £
Ordinary shares of £1 each	20	<u>20</u>	20	<u>20</u>

11. Reconciliation of shareholder's funds and movement on reserves

	<i>Share capital</i> £	<i>Profit and loss account</i> £	<i>Total share- holder's funds</i> £
At 1 April 2011	20	2,823,492	2,823,512
Profit for the period	—	1,361,443	1,361,443
Dividends paid	—	(2,790,591)	(2,790,591)
At 31 December 2011	<u>20</u>	<u>1,394,344</u>	<u>1,394,364</u>
Profit for the year	—	1,615,642	1,615,642
Dividends paid	—	(2,000,000)	(2,000,000)
At 31 December 2012	<u>20</u>	<u>1,009,986</u>	<u>1,010,006</u>

12. Other financial commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>2012</i> £	<i>2011</i> £
Operating leases which expire: within one year	<u>8,287</u>	<u>8,287</u>
	<u>8,287</u>	<u>8,287</u>

13. Ultimate parent undertaking and related party disclosures

The company is a wholly owned subsidiary undertaking of Equifax Inc., a company incorporated in the United States of America. The only group in which the results of the group are consolidated is that headed by the ultimate parent company, Equifax Inc. The ultimate controlling party is Equifax Inc. The consolidated financial statements of Equifax Inc. are available to the public and can be obtained from 1550 Peachtree Street N.W., Atlanta, Georgia, 30309, United States of America.

The immediate parent undertaking and controlling party is Equifax EUA Limited, a company incorporated in England and Wales.

As a subsidiary undertaking of Equifax Inc., the company has taken advantage of the exemption in FRS 8 "Related party disclosures" not to disclose transactions with other members of the group headed by Equifax Inc.