

# **Equifax Touchstone Limited**

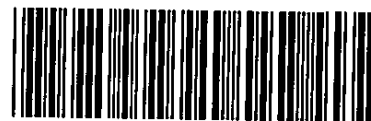
**(formerly Workload Financial Business Consultants Limited)**

## **Report and Financial Statements**

31 December 2013

Registered number: SC113401

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COMPANIES HOUSE

Registered No: SC113401

## Company Information

### Directors

S Holtzclaw  
N Khimasia  
P Moore

### 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 Deerdykes View  
Westfield Park  
Cumbernauld  
G68 9HN

Registered No: SC113401

## Strategic report

The directors present their strategic report for the year ended 31 December 2013.

### Review of the business

The principal activity of the company continues to be that of the provision of data to the insurance and financial sectors, analytics and consultancy.

The key financial and other performance indicators during the year were as follows:

Key Performance Indicator	2013	2012	Growth
Revenue	£3.82m	£4.25m	(10.1%)
Profit before interest and tax	£0.67m	£1.99m	(66.3%)
Average number of employees	20	25	(20.0%)

The economic environment continued to be challenging for companies engaged mainly in the insurance and financial services sectors. The company experienced a reduction in its revenues of 10% over 2012. This was primarily due to customers consolidating or exiting the markets in which the company operates. This fall in revenue has impacted operating margins in what is primarily a fixed cost company. 2013 saw continued interaction with the company's sister organisations in the US within the Equifax Group.

The balance sheet for the company shows an increase in Shareholder's funds from £1.0m to £1.5m at December 2013. The company has net current assets of £1.4m (2012 - £0.8m).

### Principal risks and uncertainties

The company's principal risk factors are:

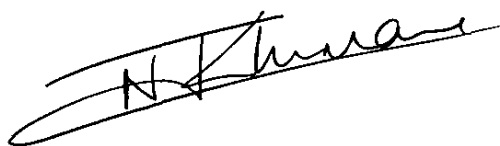
- Changes in UK economic conditions and movements in interest rates that materially impact consumer spending on investment products ;
- Our ability to successfully develop and market new products and services;
- Pricing and other competitive pressures which could result in a loss of customers or a rate 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 2013 the company had a balance of £1.1m of cash at bank or in hand up from £0.6m at 31 December 2012. 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.

On behalf of the Board



N Khimasia  
Director

9 JUNE 2014

Registered No: SC113401

## **Directors' report**

The directors present their report for the year ended 31 December 2013.

### **Directors**

The current directors are shown on page 1.

Paul Moore was appointed director on 16 May 2014.

### **Results and dividends**

The profit for the year after taxation amounted to £519,118 (31 December 2012 – £1,615,642). The company did not pay a dividend during the year (31 December 2012 – £2,000,000).

### **Change of name**

On 22 May 2014, the company changed its name from Workload Financial Business Consultants Limited to Equifax Touchstone Limited.

### **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.

### **Events since the balance sheet date**

Since the balance sheet date there have been no reportable events.

### **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 Strategic Report page 2. 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.

### **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 disabled 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.

### **Political contributions**

During the year the company made no political donations (2012 –nil).

### **Auditors**

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

Registered No: SC113401

## Directors' report

### 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

9 June 2014

## Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' 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 Equifax Touchstone Limited (formerly Workload Financial Business Consultants Limited)**

We have audited the financial statements of Equifax Touchstone Limited for the year ended 31 December 2013 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 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 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 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 Strategic Report and 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 Equifax Touchstone Limited (formerly 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.

*Ernst & Young LLP*

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

*11 June* 2014



Registered No: SC113401

**Profit and loss account**  
for the year ended 31 December 2013

		<i>Year ended 31 December 2013</i>	<i>Year ended 31 December 2012</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
<b>Turnover</b>		3,824,255	4,250,213
Administrative expenses		(3,158,975)	(2,264,464)
<b>Operating profit</b>	2	665,280	1,985,749
Interest payable and similar charges		(1,499)	—
Interest receivable and similar income		22,011	26,685
<b>Profit on ordinary activities before taxation</b>		685,792	2,012,434
Tax on profit on ordinary activities	4	(166,674)	(479,069)
<b>Profit for the financial year</b>	11	519,118	1,615,642

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.

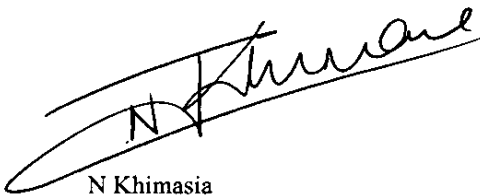
Equifax Touchstone Limited (formerly Workload Financial Business Consultants Limited)

Registered No: SC113401

**Balance sheet**  
at 31 December 2013

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Intangible assets	6	99,283	173,746
Tangible assets	7	22,879	39,146
		<u>122,162</u>	<u>212,892</u>
<b>Current assets</b>			
Debtors	8	1,382,108	1,328,887
Cash at bank and in hand		1,052,767	582,766
		<u>2,434,875</u>	<u>1,911,653</u>
<b>Creditors: amounts falling due within one year</b>	9	(1,027,913)	(1,114,539)
<b>Net current assets</b>		<u>1,406,962</u>	<u>797,114</u>
<b>Total assets less current liabilities</b>		<u>1,529,124</u>	<u>1,010,006</u>
<b>Capital and reserves</b>			
Called up share capital	10	20	20
Profit and loss account	11	1,529,104	1,009,986
<b>Shareholder's funds</b>		<u>1,529,124</u>	<u>1,010,006</u>

The financial statements were approved for issue by the board on 9 JUNE 2014 and were signed on its behalf by:

  
N Khimasia  
Director

## Notes to the financial statements

at 31 December 2013

### 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 Strategic Report page 2. 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 2013

### 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 2013

### 2. Operating profit

This is stated after charging:

	<i>Year ended 31 December 2013</i>	<i>Year ended 31 December 2012</i>
	<i>£</i>	<i>£</i>
Auditor's remuneration	10,000	10,000
Operating lease rentals – property	33,821	33,821
Depreciation of tangible assets	12,283	17,798
Depreciation of intangible assets	<u>74,463</u>	<u>49,642</u>

### 3. Staff costs

#### a) Staff costs and numbers

The average monthly number of employees was:

	<i>Year ended 31 December 2013</i>	<i>Year ended 31 December 2012</i>
	<i>Number</i>	<i>Number</i>
Sales	8	11
Operations	<u>12</u>	<u>14</u>
	<u>20</u>	<u>25</u>

Their aggregate remuneration comprised:

	<i>Year ended 31 December 2013</i>	<i>Year ended 31 December 2012</i>
	<i>£</i>	<i>£</i>
Wages and salaries	1,368,301	1,391,258
Social security costs	148,404	116,049
Pension costs	87,498	64,960
Redundancy cost	<u>19,900</u>	<u>-</u>
	<u>1,624,103</u>	<u>1,572,267</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 2013</i>	<i>Year ended 31 December 2012</i>
	<i>£</i>	<i>£</i>
Emoluments	1,242,415	1,411,513
Company contributions to a defined contribution pension scheme	<u>14,262</u>	<u>14,109</u>
	<u>1,256,677</u>	<u>1,425,622</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (31 December 2012 – 1).

No directors exercised share options during the year (December 2012 – 1). The number of directors who received shares under the group's long term incentive scheme amounted to 2 (2012 – 2).

## Notes to the financial statements

at 31 December 2013

### 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 2013</i>	<i>Year ended 31 December 2012</i>
	<i>£</i>	<i>£</i>
Emoluments	1,038,667	1,209,952
	<u>1,038,667</u>	<u>1,209,952</u>

The highest paid director did not exercise share options during the year (2012 – share options exercised).

The highest paid director received shares under the group's long term incentive scheme during the year and in 2012.

### 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 2013</i>	<i>Year ended 31 December 2012</i>
	<i>£</i>	<i>£</i>
<i>Current tax:</i>		
UK corporation tax on the profit for the year	176,433	500,418
Adjustment in respect of prior years	(1,031)	(99,608)
Total current tax (note 4(b))	<u>175,402</u>	<u>400,810</u>
<i>Deferred tax:</i>		
Credit for the year	(10,760)	(3,802)
Effect of change in rate of tax	2,032	273
Adjustment in respect of prior years	-	(489)
Total deferred tax (note 4(d))	<u>(8,728)</u>	<u>(4,018)</u>
Tax on profit on ordinary activities	<u>166,674</u>	<u>396,792</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 23.25% (2012 – 24.5%). The differences are reconciled below:

	<i>Year ended 31 December 2013</i>	<i>Year ended 31 December 2012</i>
	<i>£</i>	<i>£</i>
Profit on ordinary activities before tax	<u>685,792</u>	<u>2,012,434</u>
Profit on ordinary activities multiplied by the rate of tax	159,447	493,046
Effects of:		
Expenses not deductible for tax purposes	6,226	3,570
Depreciation in excess of capital allowances	10,760	3,802
Adjustments in respect of previous periods	(1,031)	(99,608)
Total current tax (note 4(a))	<u>175,402</u>	<u>400,810</u>

## Notes to the financial statements

at 31 December 2013

### 4. Taxation on profit on ordinary activities (continued)

(c) Factors affecting future tax charges

In March 2013, the UK government announced proposals to reduce the main rate of corporation tax to 20% from 1 April 2015. As of 31 December 2013 reductions to the main rate of corporation tax to 20% had been enacted. Accordingly, this is the rate at which deferred tax has been provided.

(d) Deferred taxation

The deferred tax balance is as follows:

	2013	2012
	£	£
Included in debtors (Note 8)	12,777	4,049
	<u>12,777</u>	<u>4,049</u>
	2012	2011
	£	£
Decelerated capital allowances	12,777	4,049
	<u>12,777</u>	<u>4,049</u>

### 5. Dividends

	Year ended 31 December 2013	Year ended 31 December 2012
	£	£
Ordinary: no dividends paid during the year (2012 - £100,000 per share)	-	2,000,000
	<u>-</u>	<u>2,000,000</u>

### 6. Intangible fixed assets

	Deferred programming costs £
Cost:	
At 1 January 2013	223,388
Additions	-
At 31 December 2013	<u>223,388</u>
Depreciation:	
At 1 January 2013	49,642
Provided during the year	74,463
At 31 December 2013	<u>124,105</u>
Net book value:	
At 31 December 2013	<u>99,283</u>
At 31 December 2012	<u>173,746</u>

## Notes to the financial statements

at 31 December 2013

### 7. Tangible fixed assets

	<i>Computer equipment £</i>	<i>Fixtures, fittings and equipment £</i>	<i>Total £</i>
Cost:			
At 1 January 2013	62,010	21,893	83,903
Disposals	(3,894)	—	(3,894)
At 31 December 2013	58,026	21,893	79,919
Depreciation:			
At 1 January 2013	28,003	16,754	44,757
Provided during the year	10,415	1,868	12,283
At 31 December 2013	38,418	18,622	57,040
Net book value:			
At 31 December 2013	19,608	3,271	22,879
At 31 December 2012	34,007	5,139	39,146

### 8. Debtors

	<i>2013 £</i>	<i>2012 £</i>
Falling due within one year:		
Trade debtors	592,851	541,346
Loan to fellow group undertaking	757,912	757,913
Prepayments	18,568	25,579
	1,369,331	1,324,838
Falling due after more than one year:		
Deferred tax (Note 4)	12,777	4,049
	1,382,108	1,328,887

### 9. Creditors: amounts falling due within one year

	<i>2013 £</i>	<i>2012 £</i>
Trade creditors	7,778	3,213
Corporation tax	113,535	219,466
Amounts due to group undertakings	353,967	270,920
Other taxation and social security	168,461	187,417
Accruals and deferred income	384,172	433,523
	1,027,913	1,114,539



## Notes to the financial statements

at 31 December 2013

### 10. Issued share capital

	<i>Allotted, called up and fully paid</i>			
	<i>No.</i>	<i>2013 £</i>	<i>No.</i>	<i>2012 £</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 January 2012	20	1,394,344	1,394,364
Profit for the period	–	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>
Profit for the year	–	519,118	519,118
At 31 December 2013	<u>20</u>	<u>1,529,104</u>	<u>1,529,124</u>

### 12. Other financial commitments

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below:

	<i>2013 £</i>	<i>2012 £</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.