

Transax plc

Accounts 31 December 1998
together with directors' and auditors' reports

Registered number: 2036134



Directors' report

For the year ended 31 December 1998

The directors present their report on the affairs of the company together with the accounts and auditors' report, for the year ended 31 December 1998.

Principal activity and business review

The company has remained dormant throughout the year and the directors have no immediate plans for the company to commence trading.

Results and dividends

The directors do not propose the payment of any dividend.

Directors and their interests

The directors who served during the year are as shown below:

N. J. Bevan	(resigned 20 April 1999)
M. Wood	(appointed 26 July 1999)
L. Towe	(appointed 26 July 1999)
M. Sax	(appointed 26 July 1999)
T. F. Chapman	

No director had any interests, which require disclosure under S234 of the Companies Act 1985.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which 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 year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and that enable them to ensure that the accounts comply with the Companies Act 1985. 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.

Directors' report (continued)

Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

Capital House
25 Chapel Street
London
NW1 5DS

By order of the Board,



Director

M Wood

26 July 1999

ARTHUR ANDERSEN

Auditors' report

Leeds

To the Shareholders of Transax plc:

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1, the directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 December 1998 and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

1 City Square
Leeds
LS1 2AL

26 July 1999

Balance Sheet

31 December 1998

	Notes	1998 £	1997 £
Fixed assets			
Investments	2	227,373	227,373
Current assets			
Debtors falling due within one year	3	1,440,383	1,440,383
Net assets		<u>1,667,756</u>	<u>1,667,756</u>
Capital and reserves			
Called-up share capital	4	82,832	82,832
Share premium account		372,334	372,334
Capital redemption reserve		7,600	7,600
Profit and loss account	5	1,204,990	1,204,990
Shareholders' funds (including non-equity interests)		<u>1,667,756</u>	<u>1,667,756</u>

The company was dormant within the meaning of Section 250(3) of the Companies Act 1985 throughout the financial year ended 31 December 1998. The company has not entered into any significant accounting transactions requiring entry in its accounting records and accordingly no profit and loss account has been prepared.

Signed on behalf of the Board



M Wood

Director

26 July 1999

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

31 December 1998

1 Accounting policies

a) Basis of accounting

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

The company has taken advantage of the exemption in S228 of the Companies Act 1985 not to prepare group accounts.

b) Investments

Investments in subsidiary undertakings are stated at cost (less amounts written off) plus the company's share of the post-acquisition retained profits or losses and reserves of the subsidiary undertakings. Write-downs are made first against amounts due from subsidiary undertakings and then against the cost of the investment. The directors consider that this policy better represents the company's investments than carrying them at cost.

2 Fixed asset investments

The following are included in the net book value of fixed asset investments:

	1998	1997
	£	£
	<u>227,373</u>	<u>227,373</u>

Investment in subsidiary undertakings

At the period end the company held more than 50% of the equity of the following companies (excluding dormant companies):

Name	Country of incorporation or registration	Principal activity and country of operation	Proportion of shares held By the group at end of year
Transax (Ireland) Limited	Ireland	Cheque guarantee, Eire	100% of ordinary shares
Transax Australia plc	England	Cheque guarantee, Australia	100% of ordinary shares
Transax France plc	England	Cheque guarantee, France	100% of ordinary shares
Transax Limited (New Zealand)	New Zealand	Cheque guarantee, New Zealand	100% of ordinary shares

3 Debtors

	1998	1997
	£	£
Amounts owed by group undertakings	<u>1,440,383</u>	<u>1,440,383</u>

Notes to accounts (continued)

4 Called-up share capital

	1998 £	1997 £
<i>Authorised</i>		
989,667 ordinary shares of £1 each	989,667	989,667
31,165 redeemable ordinary shares of £1 each	31,165	31,165
10,334 'A' ordinary shares of £1 each	10,334	10,334
100,000 12% redeemable cumulative preference shares of £1 each	100,000	100,000
	<u>1,131,166</u>	<u>1,131,166</u>
<i>Allotted, called-up and fully-paid</i>		
41,333 ordinary shares of £1 each	41,333	41,333
31,165 redeemable ordinary shares of £1 each	31,165	31,165
10,334 'A' ordinary shares of £1 each	10,334	10,334
	<u>82,832</u>	<u>82,832</u>

The ordinary shares and 'A' ordinary shares rank pari passu in all respects except for certain provisions in relation to the appointment of directors.

The redeemable ordinary shares have the same rights and restrictions as the 'A' ordinary shares.

5 Reserves

	Profit and loss account £
Beginning of year	<u>1,204,990</u>
End of year	<u>1,204,990</u>

Notes to accounts (continued)

6 Ultimate parent company

The immediate parent company is Equifax plc, a company registered in England. The largest group in which the results of the company are consolidated is that headed by the ultimate parent company Equifax Inc., a company incorporated in the USA. The consolidated accounts of the group are available from Equifax Inc., 1600 Peachtree Street, Atlanta, Georgia, 30309.

The smallest group in which the results of the company are consolidated is that headed by Equifax plc, whose registered office is at Capital House, 25 Chapel Street, London NW1 5DS. The consolidated accounts of this group are available to the public and can be obtained from this address.

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.