

# **Interactive Records Management Limited**

## **Report and Accounts**

**for the year ended 31 December 2008**

Registered no: 2672031

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# **Interactive Records Management Limited**

## **Report and Accounts for the year ended 31 December 2008**

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# **Interactive Records Management Limited**

## **Directors and advisers**

### **Directors**

**D J Goadby  
I P Gordon  
S J Holmes**

### **Registered Auditor**

**Ernst & Young LLP  
100 Barbirolli Square  
Manchester  
M2 3EY**

### **Secretary**

**I P Gordon**

### **Solicitors**

**DLA Piper UK LLP  
101 Barbirolli Square  
Manchester  
M2 3DL**

### **Registered Office**

**Astbury House  
Bradford Road  
Winsford  
Cheshire  
CW7 2PA**

### **Bankers**

**Bank of Scotland  
Chester Regional Office  
Douglas House  
117 Foregate Street  
Chester  
CH1 1HE**

# Interactive Records Management Limited

## Directors' report

The directors present their report and financial statements for the year ended 31 December 2008.

### Results and dividends

The profit for the year, after taxation, is £136,116 (2007:£251,195). No dividend is proposed (2007: £Nil).

### Principal activity and review of the business

The principal activity of the company was the provision of services for the secure storage of documents. On 31 March 2008 the business and trading assets and liabilities of the company were transferred at net book value to DeepStore Limited, the immediate parent company of Levetas Limited, leaving Interactive Records Management Limited as non-trading.

The company's balance sheet as detailed on page 9 shows a satisfactory position. Shareholders' funds amount to £3,348,665 (2007: £3,212,549).

### Key financial indicators

The company's key financial indicators in the year were as follows:

	2008	2007	Change
	£	£	%
Profit for the year before tax	110,736	476,570	-76.8%
Net current assets	3,348,665	2,263,181	+48.0%

The company only traded for a short period at the beginning of the year prior to the transfer of its business to DeepStore Limited and the directors regard the key financial indicators to be satisfactory.

### Future development of the business

As detailed in the above note 'Principal activity and review of the business' the company is expected to remain as non-trading.

### Principal risks and uncertainties

The company is expected to remain non-trading.

### Directors

D J Goadby, I P Gordon and S J Holmes held office for the whole of the year to 31 December 2008.

## **Interactive Records Management Limited**

### **Directors' insurance**

The company maintains insurance for the directors of Interactive Records Management Limited in respect of their duties as directors.

### **Taxation status**

The company was not a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial period.

### **Employee involvement**

The company's policy is to consult and discuss with employees, including through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through meetings, information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

### **Disabled employees**

The company provides full and reasonable consideration for employment applications from disabled persons by maintaining an appreciation of their skills and abilities in a situation whereby the role and necessities required by the job description can be suitably fulfilled by a handicapped or disabled person.

In a situation whereby existing employees become disabled, it is the company's policy wherever viable to maintain a regular employment under ordinary terms and circumstances and to offer training and career progression opportunities to disabled or handicapped members of staff wherever suitable.

### **Political or charitable contributions**

The company has made no political or charitable contributions in the year (2007: £Nil).

### **Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he is obliged to as a director in order to have made himself aware of any relevant audit information and to establish that the auditor is aware of that information.

## Interactive Records Management Limited

### Re-appointment of auditors

In accordance with section 385 of the Companies Act 1985, a resolution is to be proposed at the Annual General Meeting for the re-appointment of Ernst & Young LLP as auditor of the Company.

On behalf of the board



I P Gordon  
Director

30 JUNE 2009

## **Interactive Records Management Limited**

### **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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements 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.

# Interactive Records Management Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERACTIVE RECORDS MANAGEMENT LIMITED

We have audited the company's financial statements for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### Basis of audit opinion

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

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

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



Ernst & Young LLP

Registered auditor

Manchester

Date: 3/7/09



# Interactive Records Management Limited

## Profit and loss account for the year ended 31 December 2008

		2008	2007
	Notes	£	£
Turnover – discontinued activities	1	649,245	2,693,507
Cost of Sales		241,300	984,952
<b>Gross profit</b>		<b>407,945</b>	<b>1,708,555</b>
Other operating expenses		299,235	1,249,326
<b>Operating profit – discontinued activities</b>		<b>108,710</b>	<b>459,229</b>
Interest receivable and similar income	3	2,231	16,130
Interest payable and similar charges	4	(205)	(1,038)
Profit on disposal of tangible fixed assets		-	2,249
<b>Profit on ordinary activities before taxation</b>	5	<b>110,736</b>	<b>476,570</b>
Tax charge/(credit) on profit on ordinary activities	6	(25,380)	225,375
<b>Retained profit for the financial year</b>		<b>136,116</b>	<b>251,195</b>

Movements in reserves are shown in note 13.

On 31 March 2008 the trade, assets and liabilities of the company were transferred at net book value to DeepStore Limited and the company ceased to trade on that date.

# Interactive Records Management Limited

## Statement of Total Recognised Gains and Losses

		2008	2007
	Notes	£	£
Profit for the financial year		<b>136,116</b>	251,195
Gain on revaluation of fixed assets	13	-	323,304
Total gains and losses recognised since last annual report		<u><b>136,116</b></u>	<u>574,499</u>

# Interactive Records Management Limited

## Balance sheet at 31 December 2008

	Notes	2008 £	2007 £
<b>Fixed assets</b>			
Tangible assets	7	-	982,474
<b>Current assets</b>			
Stocks	8	-	5,357
Debtors	9	3,344,682	2,698,046
Cash at bank and in hand		3,983	144,755
		<u>3,348,665</u>	<u>2,848,158</u>
<b>Creditors: amounts falling due within one year</b>	10	-	584,977
<b>Net current assets</b>		<u>3,348,665</u>	<u>2,263,181</u>
<b>Total assets less current liabilities</b>		<u>3,348,665</u>	<u>3,245,655</u>
<b>Provisions for liabilities and charges</b>	11	-	33,106
<b>Net assets</b>		<u>3,348,665</u>	<u>3,212,549</u>
<b>Capital and reserves</b>			
Called up share capital	12	10,000	10,000
Profit and loss account	13	3,121,484	2,662,064
Capital reserve	13	217,181	217,181
Revaluation reserve	13	-	323,304
<b>Equity shareholders' funds</b>	14	<u>3,348,665</u>	<u>3,212,549</u>

The financial statements on pages 7 to 19 were approved by the board of directors on 30 JUNE.....2009 and were signed on its behalf by:



**I P Gordon**  
Director

# Interactive Records Management Limited

## Notes to the financial statements for the year ended 31 December 2008

### 1. Principal accounting policies

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards in the United Kingdom. The following accounting policies have been applied consistently in dealing with items that are considered material to the company's financial statements.

#### Basis of accounting

They present information about the company as an individual undertaking and not about its group. Group accounts have not been prepared as the company is consolidated into the accounts of Compass Minerals International, Inc which are publicly available from the address detailed in note 17.

#### Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

#### Tangible fixed assets

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Where fixed assets have been acquired as part of a business acquisition then purchase cost is an allocation of total consideration, based upon the fair values of assets acquired.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Leasehold property	25
Plant and machinery	5-25
Fixtures and fittings	5-25
Motor vehicles	25

Leasehold land is depreciated over the period of the lease. Freehold land is not depreciated.

#### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

## **Interactive Records Management Limited**

### **1. Principal accounting policies - continued**

#### **Finance and operating leases**

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term. Leasing agreements, which transfer to the company substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

#### **Stocks and work in progress**

Stocks and work in progress are stated at the lower of cost and net realisable value. In general cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal. Where necessary provision is made for obsolete, slow moving and defective stocks.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period. Exchange gains or losses are taken to the profit and loss account in the financial period in which they arise.

#### **Turnover**

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied and wholly arises in the United Kingdom. No analyses of turnover and profit by business or geographical segment are given as, in the opinion of the directors, to do so would be prejudicial to the interests of the company. Turnover is recognised when goods are dispatched or services are provided.

#### **Deferred taxation**

Provision is made for deferred taxation in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred taxation is calculated at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised when it is regarded that it is more likely than not that there will be suitable taxable profits from which the reversal of the underlying tax differences can be recovered. Deferred tax provisions are not discounted.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

# Interactive Records Management Limited

## 1. Principal accounting policies - continued

### Cash flow statement

In accordance with Financial Reporting Standard No 1 (Revised), a cash flow statement is not included in these accounts. The company is a wholly owned subsidiary of Compass Minerals International Inc, which has prepared a consolidated cash flow statement, including the cash flows of the company, in its accounts. These are publicly available from the address in note 17.

## 2. Employee information

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

	2008 No	2007 No
<b>By activity</b>		
Service	12	12
Administration	4	5
	<u>16</u>	<u>17</u>
	2008 £	2007 £
<b>Staff costs (for the above persons)</b>		
Wages and salaries	126,235	608,182
Social security costs	10,262	50,011
Other pension costs	-	-
	<u>136,497</u>	<u>658,193</u>

No directors' emoluments are shown in these financial statements. Directors are remunerated through fellow group undertakings.

## 3. Interest receivable and similar income

	2008 £	2007 £
Bank interest receivable	<u>2,231</u>	<u>16,130</u>

## 4. Interest payable and similar charges

	2008 £	2007 £
Bank interest payable	205	216
Hire purchase	-	822
	<u>205</u>	<u>1,038</u>

# Interactive Records Management Limited

## 5. Profit on ordinary activities before tax

	2008 £	2007 £
Profit on ordinary activities before taxation is stated after charging:		
Operating lease rentals		
-land and buildings	199,337	823,401
Hire of plant and machinery	20	5,534
Depreciation charge for the year		
-tangible fixed assets owned	-	136,875
-tangible fixed assets held under finance leases	-	334
Auditors' remuneration – audit	4,500	18,000
– other work	-	6,500
	<hr/>	<hr/>

## 6. Tax on profit on ordinary activities

	2008 £	2007 £
(a) Analysis of charge/(credit)		
<b>Current tax:</b>		
UK corporation tax on profit for the period	24,414	239,400
Adjustments in respect of previous periods	(65,518)	869
Total current tax charge/(credit)	<hr/> (41,104) <hr/>	<hr/> 240,269 <hr/>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	15,724	(14,894)
Total deferred tax charge/(credit)	<hr/> 15,724 <hr/>	<hr/> (14,894) <hr/>
Total tax on profit on ordinary activities	<hr/> (25,380) <hr/>	<hr/> 225,375 <hr/>

## Interactive Records Management Limited

### 6. Tax on profit on ordinary activities – continued

#### (b) Factors affecting tax charge/(credit) for the period

The current tax charge for the year is lower (2007: higher) than the standard rate of corporation tax in the UK (28.5%) (2007:30%). The difference is explained below:

	2008 £	2007 £
Profit on ordinary activities before tax	110,736	476,570
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK 28.5% (2007: 30%).	31,457	142,971
Effects of:		
Accelerated capital allowances	(7,221)	39,750
Adjustments in respect of previous periods	(65,518)	869
Utilisation of tax losses	3	-
Expenses not deductible for tax purposes	175	56,679
Total current tax	(41,104)	240,269

### 7. Tangible fixed assets

Cost	Plant and machinery £	Fixtures & fittings £	Motor vehicles £	Total £
At 1 January 2008	240,051	2,000,773	68,595	2,309,419
Additions	-	-	-	-
Transfer to parent undertaking	(240,051)	(2,000,773)	(68,595)	(2,309,419)
At 31 December 2008	-	-	-	-
Depreciation				
At 1 January 2008	185,008	1,082,217	59,720	1,326,945
Charge for the year	-	-	-	-
Transfer to parent undertaking	(185,008)	(1,082,217)	(59,720)	(1,326,945)
At 31 December 2008	-	-	-	-
Net book value at 31 December 2008	-	-	-	-
Net book value at 31 December 2007	55,043	918,556	8,875	982,474



## Interactive Records Management Limited

### 7. Tangible fixed assets - continued

During the year the tangible fixed assets and stock of the company were transferred at the opening net book values to DeepStore Limited, the immediate parent company of Levetas Limited.

The net book value of assets held under finance leases and hire purchase is as follows:

	2008 £	2007 £
Net book value at 31 December	-	7,667
	<hr/>	<hr/>
Depreciation charge for the year	-	334
	<hr/>	<hr/>

### 8. Stocks

	2008 £	2007 £
Goods for resale	-	5,357
	<hr/>	<hr/>

### 9. Debtors

	2008 £	2007 £
Trade debtors	-	439,627
Other debtors	191	-
Corporation tax receivable	2,996	-
Amounts due from parent undertakings	3,341,495	2,022,844
Prepayments and accrued income	-	235,575
	<hr/>	<hr/>
	3,344,682	2,698,046
	<hr/>	<hr/>

## Interactive Records Management Limited

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

	2008	2007
	£	£
Trade creditors	-	35,200
Other creditors	-	5,456
Amounts due to parent undertaking	-	75,168
Amounts due to fellow subsidiary undertakings	-	239,400
Other taxation and social security	-	69,233
Accruals and deferred income	-	156,985
Obligations under finance leases	-	3,535
	<u>-</u>	<u>584,977</u>

### 11. Provisions for liabilities and charges

	Deferred tax
	£
At 1 January 2008	33,106
Deferred tax charge in the profit and loss account	15,724
Transferred with trade and assets to DeepStore Limited	(48,830)
At 31 December 2008	<u>-</u>

The deferred tax provision above was in respect of the tax effect of timing differences due to accelerated capital allowances.

### 12. Called up share capital

	2008		2007	
	Number of	£	Number of	£
	Shares		Shares	
Authorised:				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000
	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

## Interactive Records Management Limited

### 13. Reserves

	Capital reserve	Revaluation reserve	Profit and loss account
	£	£	£
At 1 January 2008	217,181	323,304	2,662,064
Retained profit for the year	-	-	136,116
Transfer to retained profit	-	(323,304)	323,304
<b>At 31 December 2008</b>	<b>217,181</b>	<b>-</b>	<b>3,121,484</b>

#### Capital reserve

In January 2007 DeepStore Limited, the parent company of Levetas Limited, introduced £217,181 of capital into the company to enable it to repay all bank debt outstanding.

#### Revaluation reserve

A review was made in 2007 of the value of the company's tangible assets resulting in a revaluation surplus of £323,304 which has been transferred to a Revaluation reserve. The Revaluation reserve of £323,304 was subsequently transferred to retained profit in 2008 upon the disposal of tangible assets to Deepstore Limited, the immediate parent company of Levetas Limited.

### 14. Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the year	136,116	251,195
Capital introduced	-	217,181
Transfer (from)/to revaluation reserve	(323,304)	323,304
Transfer to retained profit	323,304	-
Net movement in shareholders' funds	136,116	791,680
Opening shareholders' funds	3,212,549	2,420,869
Closing shareholders' funds	3,348,665	3,212,549

## Interactive Records Management Limited

### 15. Leasing commitments

At 31 December 2008 and 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows:

	2008		2007	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Expiring within one year	-	-	-	-
Expiring in two to five years	-	-	-	-
Expiring in over five years	-	-	797,350	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	797,350	-
	<hr/>	<hr/>	<hr/>	<hr/>

### 16. Parent undertaking

The company is a wholly-owned subsidiary of Levetas Limited, a company which is incorporated in England and Wales.

### 17. Ultimate controlling party

The directors' regard Compass Minerals International, Inc of Kansas, USA, as the ultimate parent and controlling party. Compass Minerals International, Inc is the parent undertaking of the largest group of which the company is a member and for which group accounts are drawn up. Copies of these accounts can be obtained from its registered office at 9900 West 109<sup>th</sup> Street, Overland Park, Kansas, 66210, USA.

### 18. Related parties

The company has taken advantage of the exemption available under FRS8 in order not to disclose intra-group transactions. There are no other related party transactions requiring disclosure

## **Interactive Records Management Limited**

### **19. Contingent liability**

#### **(i) Group guarantee**

Intermediate parent company Compass Minerals Group Inc entered into a new US \$475m loan agreement in 2005. The facility is split between a US \$125m revolving credit facility, which expires in 2010, and a US \$350m term loan, which expires 2012. This facility is secured by all existing and future assets of Compass Minerals Group Inc and its subsidiary undertakings.

#### **(ii) Revolving credit facility**

The group has a US \$10m revolving facility, which expires in 2010 and incurs interest at LIBOR plus 0.5% and a margin dependant on Compass Minerals Group Inc's, the intermediate parent company (see note 19), leverage ratio. An amount of £6m was drawn down on this facility at 31 December 2008 (2007-£3.5m).

The above bank loan revolving facility is part of a US \$125m revolving credit facility entered into by Compass Minerals Group Inc, and its subsidiary undertakings which expires in 2010. This facility is secured by all existing and future assets of Compass Minerals Group Inc and its subsidiary undertakings.