REGISTRAR OF COMPANIES COPY

COMPANY REGISTRATION NUMBER 1862026

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

FINANCIAL STATEMENTS

FOR

31 MARCH 2004

THE LEAMAN PARTNERSHIP LLP
Accountants & Registered Auditors
51 Queen Anne Street
London
W1G 9HS

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

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INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2004

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The main focus of the group during the year was the origination, analysis and publication of business information in the Advertising and Media, Finance and the Pensions sectors.

The principal activities of the group continued to be the origination, analysis and publication of business information in the Advertising and Media, Finance and Pensions areas.

Group sales increased for the sixteenth successive year, bringing the compound rate of growth over the period to 21.4% per annum.

Heavy investment in new internet products in the Advertising and Media sector started to produce returns during the year, but continuing investment in Economic Index products in Eastern Europe and Asia kept overall margins relatively low.

There is every indication that further steady progress will be achieved in 2005.

RESULTS AND DIVIDENDS

The trading results for the year and the group's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2004	2003
	£	£
Dividends paid on ordinary shares	**300,000**	25,000

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Class of share	**At 31 March 2004**	**At 1 April 2003**
H Henry Esq	Ordinary	**–**	–
	Ordinary non-voting "A"	**10,048**	21,080
D K Roberts Esq	Ordinary	**43,865**	43,865
	Ordinary non-voting "A"	**–**	–
R J Silver Esq	Ordinary	**10,370**	10,370
	Ordinary non-voting "A"	**–**	–
M J Waterson Esq	Ordinary	**124,699**	124,699
	Ordinary non-voting "A"	**11,032**	–
A P Budd Esq	Ordinary	**–**	–
	Ordinary non-voting "A"	**–**	–

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2004

AUDITORS

A resolution to re-appoint The Leaman Partnership LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors

L H ZEGLOVSKIS
Company Secretary

Approved by the directors on 7/1/2005

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2004

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group at the end of the year and of the profit or loss of the group for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 11 to 12, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

YEAR ENDED 31 MARCH 2004

We have audited the financial statements on pages 6 to 20 which have been prepared under the historical cost convention and the accounting policies set out on pages 11 to 12.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the group 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 transactions with the group is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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.

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INFORMATION SCIENCES LIMITED AND SUBSIDIARIES *(continued)*

YEAR ENDED 31 MARCH 2004

OPINION

In our opinion the financial statements give a true and fair view of the state of the affairs of the group and of the company as at 31 March 2004 and of the profit of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

The Leaman Partnership LLP

THE LEAMAN PARTNERSHIP LLP
Accountants
& Registered Auditors

51 Queen Anne Street
London
W1G 9HS

25/1/05

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2004

	Note	2004 £	2003 £
TURNOVER	2	**6,299,822**	5,790,561
Cost of sales		**4,023,608**	3,940,106
GROSS PROFIT		**2,276,214**	1,850,455
Administrative expenses		**1,733,737**	1,719,654
Other operating income		**(3,978)**	–
OPERATING PROFIT	3	**546,455**	130,801
Interest receivable		**28,169**	15,624
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**574,624**	146,425
Tax on profit on ordinary activities	6	**169,519**	46,260
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		**405,105**	100,165
Dividends	7	**300,000**	25,000
RETAINED PROFIT FOR THE FINANCIAL YEAR		**105,105**	75,165
Balance brought forward		**709,548**	634,383
Balance carried forward		**814,653**	709,548

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

31 MARCH 2004

	Note	2004 £	2004 £	2003 £	2003 £
FIXED ASSETS					
Intangible assets	8		54,117		8,167
Tangible assets	9		1,283,845		1,070,655
			1,337,962		1,078,822
CURRENT ASSETS					
Stocks	10	94,329		91,311	
Debtors	11	406,907		437,264	
Cash at bank		1,375,693		904,717	
		1,876,929		1,433,292	
CREDITORS: Amounts falling due within one year	12	2,332,646		1,737,827	
NET CURRENT LIABILITIES			(455,717)		(304,535)
TOTAL ASSETS LESS CURRENT LIABILITIES			882,245		774,287
CREDITORS: Amounts falling due after more than one year	13		23,970		19,048
			858,275		755,239
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	14		30,055		32,124
			828,220		723,115
CAPITAL AND RESERVES					
Called-up equity share capital	22		10,289		10,289
Share premium account			2,863		2,863
Other reserves	23		415		415
Profit and loss account			814,653		709,548
SHAREHOLDERS' FUNDS	24		828,220		723,115

These financial statements were approved by the directors on the 7/1/2005 and are signed on their behalf by:

.....
D K ROBERTS ESQ

.....
M J WATERSON ESQ

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

COMPANY BALANCE SHEET

31 MARCH 2004

	Note	2004 £	2004 £	2003 £	2003 £
FIXED ASSETS					
Tangible assets	17		29		29
Investments	18		10,218		10,222
			10,247		10,251
CURRENT ASSETS					
Debtors	19	324,147		526,238	
Cash at bank		2,363		308	
		326,510		526,546	
CREDITORS: Amounts falling due within one year	20	100,137		137	
NET CURRENT ASSETS			226,373		526,409
TOTAL ASSETS LESS CURRENT LIABILITIES			236,620		536,660
CAPITAL AND RESERVES					
Called-up equity share capital	22		10,289		10,289
Share premium account			2,853		2,853
Other reserves	23		415		415
Profit and loss account			223,063		523,103
SHAREHOLDERS' FUNDS	25		236,620		536,660

These financial statements were approved by the directors on the 7/1/2005 and are signed on their behalf by:

D K ROBERTS ESQ

M J WATERSON ESQ

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2004

	2004		2003	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		**1,168,015**		539,653
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	**28,169**		15,624	
Interest paid	**(20)**		(49)	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		**28,149**		15,575
TAXATION		**(48,451)**		(22,083)
CAPITAL EXPENDITURE				
Payments to acquire intangible fixed assets	**(56,941)**		–	
Payments to acquire tangible fixed assets	**(326,590)**		(69,576)	
Receipts from sale of fixed assets	**1,872**		475	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		**(381,659)**		(69,101)
EQUITY DIVIDENDS PAID		**(300,000)**		(25,000)
CASH INFLOW BEFORE FINANCING		**466,054**		439,044
FINANCING				
Net inflow/(outflow) from long-term accruals	**4,922**		(60,787)	
NET CASH INFLOW/(OUTFLOW) FROM FINANCING		**4,922**		(60,787)
INCREASE IN CASH		**470,976**		378,257

The notes on page 9 form part of these financial statements.

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 MARCH 2004

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating profit	**546,455**	130,801
Interest payable	**20**	49
Amortisation	**10,991**	2,450
Depreciation	**112,558**	107,614
(Profit)/Loss on disposal of fixed assets	**(1,030)**	529
(Increase)/decrease in stocks	**(3,018)**	19,692
Decrease/(increase) in debtors	**30,357**	(73,996)
Increase in creditors	**471,682**	352,514
Net cash inflow from operating activities	**1,168,015**	539,653

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2004 £	2004 £	2003 £	2003 £
Increase in cash in the period	**470,976**		378,257	
Net cash (inflow) from/outflow from long-term accruals	**(4,922)**		60,787	
		466,054		439,044
Change in net funds		**466,054**		439,044
Net funds at 1 April 2003		**885,669**		446,625
Net funds at 31 March 2004		**1,351,723**		885,669

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 2003 £	Cash flows £	At 31 Mar 2004 £
Net cash:			
Cash in hand and at bank	**904,717**	**470,976**	**1,375,693**
Debt:			
Debt due after 1 year	**(19,048)**	**(4,922)**	**(23,970)**
Net funds	**885,669**	**466,054**	**1,351,723**

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Turnover

The turnover shown in the profit and loss account represent amounts receivable for goods and services supplied during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Publishing rights	20% on cost

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings	2% on cost
Leasehold property	2% on cost
Plant and machinery	between 10% and 25% on cost
Motor vehicles	25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

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

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

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 taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Basis of consolidation

The consolidated accounts include the company and its subsidiary undertakings. Inter group transactions are eliminated on consolidation and all sales and profit figures relate to external transactions only.

The group has taken advantage of the exemption under section 230 of the Companies Act 1985 allowing it not to publish separate profit and loss account for the parent company.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.
An analysis of turnover is given below:

	2004	2003
	£	£
United Kingdom	**6,299,822**	5,790,561

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2004	2003
	£	£
Amortisation	**10,991**	2,450
Depreciation of owned fixed assets	**112,558**	107,614
Loss on disposal of fixed assets	**–**	529
Profit on disposal of fixed assets	**(1,030)**	–
Auditors' remuneration		
- as auditors	**15,000**	13,250
Operating lease costs:		
Plant and equipment	**1,040**	1,220

Loss before taxation of the parent company, Information Sciences Limited, for the year ended 31 March 2004 was £40 (2003: £34).

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2004	2003
	No	No
Number of production staff	**59**	60
Number of distribution staff	**1**	2
Number of administrative staff	**11**	15
	71	77

The aggregate payroll costs of the above were:

	2004	2003
	£	£
Wages and salaries	**2,018,766**	2,117,074
Social security costs	**217,787**	203,515
Other pension costs	**27,739**	3,131
	2,264,292	2,323,720

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2004	2003
	£	£
Emoluments receivable	**99,597**	94,421
Value of company pension contributions to money purchase schemes	**930**	1,031
	100,527	95,452

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

5. DIRECTORS' EMOLUMENTS *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows:

	2004 No	2003 No
Money purchase schemes	1	1

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2004 £	2003 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 26.41% (2003 - 22.16%)	**171,588**	48,451
Total current tax	**171,588**	48,451
Deferred tax:		
Origination and reversal of timing differences (note 14)		
Capital allowances	**(2,069)**	(2,191)
Tax on profit on ordinary activities	**169,519**	46,260

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26.41% (2003 - 22.16%).

	2004 £	2003 £
Profit on ordinary activities before taxation	**574,624**	146,425
Profit/(loss) on ordinary activities by rate of tax	**151,758**	32,448
Accelerated capital allowances	**2,789**	554
Permanent differences	**17,041**	15,449
Total current tax (note 6(a))	**171,588**	48,451

7. DIVIDENDS

The following dividends have been paid in respect of the year:

	2004 £	2003 £
Dividend paid on ordinary shares	**300,000**	25,000

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

8. INTANGIBLE FIXED ASSETS - GROUP

	Publishing rights £
COST	
At 1 April 2003	**128,429**
Additions	**56,941**
At 31 March 2004	**185,370**
AMORTISATION	
At 1 April 2003	**120,262**
Charge for the year	**10,991**
At 31 March 2004	**131,253**
NET BOOK VALUE	
At 31 March 2004	**54,117**
At 31 March 2003	8,167

9. TANGIBLE FIXED ASSETS - GROUP

	Freehold & Leasehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
COST				
At 1 April 2003	**840,139**	**929,111**	**85,613**	**1,854,863**
Additions	**258,784**	**67,806**	**–**	**326,590**
Disposals	**–**	**(5,506)**	**–**	**(5,506)**
At 31 March 2004	**1,098,923**	**991,411**	**85,613**	**2,175,947**
DEPRECIATION				
At 1 April 2003	**71,425**	**672,132**	**40,651**	**784,208**
Charge for the year	**13,002**	**78,153**	**21,403**	**112,558**
On disposals	**–**	**(4,664)**	**–**	**(4,664)**
At 31 March 2004	**84,427**	**745,621**	**62,054**	**892,102**
NET BOOK VALUE				
At 31 March 2004	**1,014,496**	**245,790**	**23,559**	**1,283,845**
At 31 March 2003	768,714	256,979	44,962	1,070,655

Freehold & Leasehold Property includes a short leasehold property whose movements during the year were as follows:

	At 1st April 2003 £	Additions/ Charge £	At 31st March 2004 £
Cost	12,276	-	12,276
Depreciation	2,316	1,157	3,473
Net book value	9,960		8,803

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

10. STOCKS- GROUP

	2004	2003
	£	£
Work in progress	**46,510**	24,260
Finished goods	**47,819**	67,051
	94,329	91,311

11. DEBTORS- GROUP

	2004	2003
	£	£
Trade debtors	**255,019**	323,458
Prepayments and accrued income	**151,888**	113,806
	406,907	437,264

12. CREDITORS: Amounts falling due within one year - GROUP

		2004		2003
		£		£
Trade creditors		**226,245**		123,506
Other creditors including taxation and social security:				
Corporation tax	**171,588**		48,451	
PAYE and social security	**81,482**		60,483	
VAT	**76,694**		72,739	
Other creditors	**82,990**		99,657	
		412,754		281,330
Accruals and deferred income		**1,693,647**		1,332,991
		2,332,646		1,737,827

13. CREDITORS: Amounts falling due after more than one year - GROUP

	2004	2003
	£	£
Accruals and deferred income	**23,970**	19,048

14. DEFERRED TAXATION - GROUP

	2004	2003
	£	£
The movement in the deferred taxation provision during the year was:		
Provision brought forward	**32,124**	34,315
Profit and loss account movement arising during the year	**(2,069)**	(2,191)
Provision carried forward	**30,055**	32,124

INFORMATION SCIENCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

14. DEFERRED TAXATION *(continued)*

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2004 £	2003 £
Excess of taxation allowances over depreciation on fixed assets	**30,055**	32,124
	30,055	32,124

15. COMMITMENTS UNDER OPERATING LEASES - GROUP

At 31 March 2004 the group had annual commitments under non-cancellable operating leases as set out below.

	2004		2003	
	Land & Buildings £	**Other Items £**	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 1 year	–	**13,334**	–	4,126
Within 2 to 5 years	–	**6,090**	–	4,713
After more than 5 years	**70,000**	–	70,000	–
	70,000	**19,424**	70,000	8,839

16. RELATED PARTY TRANSACTIONS - GROUP

The group was under the control of Mr M J Waterson throughout the current and previous year. Mr M J Waterson is the majority shareholder and a director of the parent company.

The following are deemed to be related party transactions in accordance with Financial Reporting Standard 8.

Name of undertaking	**Director/ proprietor**	**Goods and services provided**		**Outstanding at year end**	
		2004 £	**2003 £**	**2004 £**	**2003 £**
Monne & Co	M J Waterson				
- consultancy fees		230,665	223,126	-	-
- expenses reimbursed		9,420	13,403	-	-
- office rental & overheads		34,320	34,320	-	-
Silver & Co	R J Silver	18,000	18,000	-	-
Harry Henry Associates	H Henry	6,000	6,000	-	-
Harry Henry Consultants	H Henry	10,000	11,000	-	1,000
Sir Alan Budd	n/a	13,200	16,050	-	-

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

17. TANGIBLE FIXED ASSETS - COMPANY

	Plant & Machinery £
COST	
At 1 April 2003 and 31 March 2004	**7,857**
DEPRECIATION	
At 1 April 2003	**7,828**
At 31 March 2004	**7,828**
NET BOOK VALUE	
At 31 March 2004	**29**
At 31 March 2003	29

18. INVESTMENTS - COMPANY

	£
COST	
At 1 April 2003 and 31 March 2004	**10,222**
AMOUNTS WRITTEN OFF	
Written off in year	**4**
At 31 March 2004	**4**
NET BOOK VALUE	
At 31 March 2004	**10,218**
At 31 March 2003	10,222

The company directly owned 100% of the issued share capital of the companies listed below at 31st March 2004:

Name of Company	Shares held	Country of Incorporation
Advertising Press Ltd	£1 Ord	England
Industry Forecasts Ltd	£1 Ord	England
Allied Information Sciences Ltd	£1 Ord	England
Allied Information Technologies Ltd	£1 Ord	England
NTC Publications Ltd	£1 Ord	England
NTC Research Ltd	£1 Ord	England
World Advertising Research Center Ltd	£1 Ord	England
World Economics Ltd	£1 Ord	England

INFORMATION SCIENCES LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

18. INVESTMENTS - COMPANY *(continued)*

Allied Information Sciences Limited and Allied Information Technologies Limited were dissolved after the year end.

The only companies to trade during the year were World Advertising Research Center Limited and NTC Research Limited whose principal activities are publishing and research.

In addition, the company indirectly owns 100% of the issued share capital of WARC Limited, a company incorporated in England. WARC Limited is a 100% owned subsidiary of World Advertising Research Center Limited. Its share capital comprises £1 ordinary shares and it did not trade during the year.

19. DEBTORS

	2004	2003
	£	£
Amounts owed by group undertakings	**324,147**	526,238

20. CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
Trade creditors	**29**	29
Amounts owed to group undertakings	**100,108**	108
	100,137	137

21. RELATED PARTY TRANSACTIONS - COMPANY

The company was under the control of Mr M J Waterson throughout the current and previous year. Mr M J Waterson is the majority shareholder and a director of the company.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

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NOTES TO THE FINANCIAL STATEMENTS

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22. SHARE CAPITAL – GROUP AND COMPANY

Authorised share capital:

	2004	2003
	£	£
478,920 Ordinary shares of £0.05 each	**23,946**	23,946
21,080 Non-voting "A" shares shares of £0.05 each	**1,054**	1,054
	25,000	25,000

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £0.05 each	**184,707**	**9,235**	184,707	9,235
Non-voting "A" shares shares of £0.05 each	**21,080**	**1,054**	21,080	1,054
	205,787	**10,289**	205,787	10,289

The ordinary shares and the non-voting "A" shares rank pari passu with each other save that the non-voting "A" shares shall not entitle the holders to attend or vote at any general meeting of the Company.

In addition, options have been granted on 6,174 unallotted ordinary shares of 5p each as follows:

		Period during which option is exercisable	
Number of shares	**Price**	**From**	**To**
4,116	£7.20	21st November 2002	20th November 2012
2,058	£4.00	6th February 2004	5th February 2014

23. OTHER RESERVES – GROUP AND COMPANY

	2004	2003
	£	£
Capital redemption reserve	**415**	415

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - GROUP

	2004	2003
	£	£
Profit for the financial year	**405,105**	100,165
Dividends	**(300,000)**	(25,000)
	105,105	75,165
Opening shareholders' equity funds	**723,115**	647,950
Closing shareholders' equity funds	**828,220**	723,115

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25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - COMPANY

	2004 £	2003 £
Loss for the financial year	(40)	(34)
Dividends	(300,000)	(25,000)
	(300,040)	(25,034)
Opening shareholders' equity funds	536,660	561,694
Closing shareholders' equity funds	236,620	536,660