

EQUIFAX INC
Form 11-K
June 24, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 11-K

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

ý **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2004

OR

**o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 2-39822

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

EQUIFAX INC. 401(k) PLAN

(formerly the Equifax Inc. Employees 401(k) Retirement and Savings Plan)

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Equifax Inc.

1550 Peachtree Street, N.W.

Atlanta, Georgia 30309

Required Information

Pursuant to the section of the General Instructions to Form 11-K entitled Required Information, this Annual Report on Form 11-K for the fiscal year ended December 31, 2004, consists of the audited financial statements of the Equifax Inc. 401(k) Plan (the Plan) for the years ended December 31, 2004 and 2003, and the related schedule thereto as of December 31, 2004. The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA), and, in accordance with Item 4 of the section of the General Instructions to Form 11-K entitled Required Information, the financial statements and schedule have been prepared in accordance with the financial reporting requirements of ERISA in lieu of the requirements of Items 1-3 of that section of the General Instructions. Schedules I, II and III are not submitted because they are either not applicable, the required information is included in the financial statements or notes thereto, or they are not required under ERISA.

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Report of Independent Registered Public Accounting Firm

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To the Plan Administrator

Equifax Inc. 401(k) Plan

We have audited the accompanying statement of net assets available for benefits of Equifax Inc. 401(k) Plan (formerly, Equifax Inc. Employees 401(k) Retirement and Savings Plan)(the Plan) as of December 31, 2004, and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Equifax 401(k) Plan as of and for the year ended December 31, 2003 were reported on by other auditors whose report dated June 16, 2004 expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2004 and the changes in its net assets available for benefits for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2004 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/SMITH & HOWARD, P.C.

June 17, 2005

Report of Independent Registered Public Accounting Firm

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To the Plan Administrator

Equifax Inc. 401(k) Plan

We have audited the accompanying statement of net assets available for benefits of Equifax Inc. 401(k) Plan (formerly, Equifax Inc. Employees 401(k) Retirement and Savings Plan) as of December 31, 2003. This financial statement is the responsibility of the Plan's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2003 in conformity with U.S. generally accepted accounting principles.

/s/ERNST & YOUNG LLP

June 16, 2004
Atlanta, Georgia

EQUIFAX INC. 401(k) PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2004 AND 2003

| | 2004 | 2003 |
|--|-----------------------|-----------------------|
| ASSETS | | |
| Investments, at fair value | \$ 184,615,674 | \$ 173,876,838 |
| Cash, interest-bearing | 1,295,665 | 1,199,702 |
| Cash, non-interest-bearing | | 50,031 |
| Company contribution receivable | 3,373,511 | 3,138,745 |
| Accrued income | 36,206 | 195,892 |
| Total Assets | 189,321,056 | 178,461,208 |
| LIABILITIES | | |
| Fees and other payables | | (5,000) |
| Net Assets Available for Benefits | \$ 189,321,056 | \$ 178,456,208 |

The accompanying notes are an integral part of these financial statements.

EQUIFAX INC. 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2004

| | |
|---|----------------|
| Additions to Net Assets Attributed to: | |
| Contributions: | |
| Employer | \$ 3,373,511 |
| Participant | 10,200,228 |
| Rollovers | 828,294 |
| | 14,402,033 |
| Interest and dividend income | 3,136,552 |
| Net appreciation in fair value of investments | 15,546,403 |
| Interest on participant loans | 142,988 |
| Transfers in | 104,554 |
| | 18,930,497 |
| | 33,332,530 |
| Deductions from Net Assets Attributed to: | |
| Administrative and other expenses | 12,484 |
| Benefits paid to participants | 22,455,198 |
| | 22,467,682 |
| Increase in Net Assets | 10,864,848 |
| Net Assets Available for | |
| Benefits at Beginning of Year | 178,456,208 |
| Net Assets Available for | |
| Benefits at End of Year | \$ 189,321,056 |

The accompanying notes are an integral part of these financial statements.

EQUIFAX INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004 AND 2003

NOTE 1 - DESCRIPTION OF THE PLAN

General

The following brief description of the Equifax Inc. 401(k) Plan (formerly, Equifax Inc. Employees 401(k) Retirement and Savings Plan) (the Plan) is provided for general informational purposes only. Participants should refer to the Plan document and summary materials distributed to Plan participants for more detailed information.

The Plan is a defined contribution plan, which is subject to the Employee Retirement Income Security Act of 1974, as amended. All U.S. salaried employees of the participating companies of Equifax Inc. and its subsidiaries (the Company) are eligible to participate in the Plan on the first day of the payroll period after their date of hire.

In October 2000, the Board of Directors of the Company announced its intent to spin off its payment services division into a separate publicly traded company with its own management and Board of Directors (the Distribution). This Distribution occurred on July 7, 2001, and was accomplished by transferring the assets, liabilities, and stock of the businesses that comprised the payment services division to Certegy Inc. (Certegy) and then distributing all of the shares of common stock to Equifax s shareholders. Resultant from the Distribution, participants in the Plan received one share in the newly created Certegy stock fund for every two shares he/she owned in the Equifax Stock Fund at the time of the Distribution. The Certegy stock fund is a frozen investment option and participants are not permitted to make additional investments into this fund.

Contributions

Each participant may make basic contributions from 1% to 6% of his/her to total salary (base salary only for highly compensated employees) through payroll deductions on a pretax or an after-tax basis. In addition to basic contributions, each non-highly compensated participant may elect to make supplemental contributions of 7% to 30% of gross pay (14% limit for highly compensated participants) on a pretax or an after-tax basis through payroll deductions, subject to certain limits. In addition, participants who are eligible to make contributions under the Plan and who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions, as defined, subject to certain limits. These contributions are ineligible for Company matching contributions.

The Plan requires the Company to make minimum matching annual contributions of 100% of the first 2% of salary contributed by participants each pay period during the Plan year. The match on the remaining basic contributions is discretionary and for the 2004 Plan year was 25%. Supplemental contributions are not matched. Matching contributions are initially invested in the Equifax Stock Fund. However, upon receiving the match allocation in the Equifax Stock Fund, the participant may immediately reinvest his or her match allocation into one of the other available Plan investment options. Matching of after-tax contributions is net of any in-service after-tax withdrawals, without regard to lump-sum cash contributions and roll-over contributions, either deposited or withdrawn. Company contributions shall not exceed the maximum amount which, together with Company contributions to the Equifax Inc. U.S. Retirement Income Plan for a Plan year, is deductible under the Internal Revenue Code (the IRC) or such other federal income tax statutory provision as may be applicable. In addition, a participant must be actively employed by the Company on December 31 to receive the matching contribution for that Plan year, unless termination prior to December 31 is due to attainment of age 65, retirement, disability or death.

Contributions may be funded by the Company during the year and held as non-participant directed, unallocated funds until contributions are determined as of the end of the Plan year. Earnings on these deposits are accumulated and may be used to reduce the cash required for the Company contribution. At December 31, 2003, the balance in the unallocated account totaled approximately \$6,820. At December 31, 2004, there was not a significant balance in this account.

Vesting

Participants' accounts (including all Company and employee contributions and earnings thereon) are at all times vested with such participants. In addition, participants who are employed with the Company on December 31 vest in the Company matching contribution for that year, even if such matching contribution has not yet been credited to their accounts.

Administration

The trustee of the Plan is Fidelity Management Trust Company (Trustee or Fidelity). Fidelity Investments Institutional Operations Company, Inc. performs participant record keeping and other administrative duties for the Plan. The Equifax Inc. Group Plans Administrative Committee is appointed by the Compensation, Human Resources and Management Succession Committee of the Company's Board of Directors and oversees the Plan's operations.

Investment Options

The participants may direct their elective deferrals in and among various investment options. Participants may change their investment elections and transfer money between investment options on a daily basis. The investment options consist of publicly traded mutual funds, including various mutual funds managed by Fidelity affiliates as well as one collective trust. In addition, the participants may elect to invest their contributions in Equifax Inc. common stock through a unitized fund, the Equifax Stock Fund (ESF), which includes an investment in a money market fund for liquidity purposes. The balances in the Certegy stock fund are frozen and no further contributions can be made to this fund. However, a participant may transfer funds out of this fund into one of the other available Plan investment options at any time.

Benefits

Prior to a participant attaining age 59½, in-service withdrawals from the pre-tax portion of a participant's account are permitted only on the basis of financial hardship. Once participants attain age 59½, they may withdraw up to 100% of their account in one or more withdrawals. Once a participant's employment with the Company ceases due to termination of employment, retirement, death, or disability, and upon the election of the participant, the Plan will distribute to the participant 100% of the participant's account balance. This lump-sum distribution is payable in cash, Company common stock, Certegy common stock (if present in the participant's account), or any combination thereof at the participant's election.

If a participant's account balance is less than \$5,000 upon retirement or termination, a distribution of the participant's account will be made automatically.

The after-tax portion of a participant's account balance is available for withdrawal at any time.

Participant Accounts

Individual accounts are maintained for each of the Plan's participants to reflect the participant's share of the Plan's net earnings or losses, Company contributions, and the participant's contributions. Allocations of earnings or losses are based on relative account balances and investment elections, as defined.

Loans to Participants

The Plan permits loans to be made to participants which are secured by balances in the participant's account. Only one loan is permitted at a time, and the minimum loan amount is \$1,000. Loans may generally be taken up to 50% of a participant's account balance but not exceeding \$50,000. Loans are generally repaid through payroll deductions with a 5-year maximum limit, except for loans for home purchases which may have terms up to 15 years. Interest rates are set at the date of the loan at a rate equal to prime plus 1% on the first day of the calendar quarter in which the loan is taken. Loan fees for setup and maintenance are paid by the participant.

Plan Termination

The Company has the right to amend, or terminate the Plan at any time subject to the provisions of ERISA. In the event of Plan termination, the interests of the participants shall be non-forfeitable on the termination date and will be distributed to participants as soon as administratively feasible.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates and assumptions.

Administrative Expenses

All expenses for the administration of the Plan, except for brokerage commissions and related expenses on security transactions and loan fees, are paid by the Company. The expenses for administration include the fees and expenses of the Plan's Trustee.

Valuation of Plan Investments and Income Recognition

Investments of the Plan, except the Managed Income Portfolio, are carried at fair value as determined by quoted market prices. Participant loans are valued at their outstanding cost balances, which approximates fair value. Loan interest income is allocated to the investment funds according to the participant's current investment elections.

The Managed Income Portfolio is a collective trust which invests in guaranteed investment contracts and synthetic investment contracts. The collective trust's investment in these contracts is valued at fair value as determined by the Trustee.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date.

Benefit payments made to participants are recorded when incurred.

NOTE 3 - INVESTMENTS

The fair value of individual investments that represent 5% or more of the Plan's net assets as of December 31 are as follows:

| | 2004 | 2003 |
|--|---------------|---------------|
| Equifax Inc. common stock: | | |
| Participant-directed | \$ 48,361,140 | \$ 45,419,129 |
| Fidelity Managed Income Portfolio | 12,434,641 | 12,985,819 |
| Spartan® U.S. Equity Index Fund | 22,680,624 | 21,713,735 |
| Fidelity Asset Manager: Growth | 9,604,680 | 9,532,887 |
| Fidelity Low Priced Stock Fund | 11,922,697 | 8,832,014 |
| Fidelity Value Fund | 10,057,242 | 7,415,725 |
| Fidelity Retirement Government Money Market Portfolio: | | |
| Participant-directed | 8,804,456 | 9,088,096 |
| Non-participant-directed | | 6,820 |
| Certegy Inc. common stock | 24,291,221 | 26,917,189 |

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The net appreciation in the fair value of investments and interest and dividends for the year ended December 31, 2004 is as follows:

| | Net Appreciation | Interest and Dividends |
|---------------------------------|---------------------|---------------------------|
| Interest-bearing cash | \$ | \$ 17,275 |
| Money Market Funds | | 85,903 |
| Common/collective trusts | | 488,005 |
| Common stock: | | |
| Equifax Inc. | 6,571,118 | |
| Certegy Inc. | 2,407,671 | |
| Registered investment companies | 6,567,614 | 2,545,369 |
| | \$ 15,546,403 | \$ 3,136,552 |

Additional information concerning the above listed investments is contained in the prospectuses and financial statements of the funds.

NOTE 4 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 5 - FEDERAL INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated August 15, 2003 stating that the Plan is qualified under Section 401(a) of the IRC and, therefore, the related trust is exempt from federal taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan sponsor believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code and the Plan and related trust continue to be exempt from federal income taxes.

NOTE 6 - RELATED PARTY TRANSACTIONS

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan, including the Company.

All transactions in the Equifax common stock held within the Equifax Stock Fund are related-party transactions. The Plan held approximately 1,721,000 and 1,854,000 shares of Equifax common stock at December 31, 2004 and 2003, respectively.

The Plan issues loans to participants, which are secured by the balances in the participants' accounts. These transactions qualify as party-in-interest transactions.

The Plan offers investments in mutual funds and the collective trust issued by affiliates of the Trustee. These Fidelity affiliates receive investment management fees related to these mutual funds and collective trust prior to any fund and/or trust being allocated investment earnings or losses.

EQUIFAX INC. 401(k) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2004

EMPLOYER IDENTIFICATION NUMBER: 58-0401110

PLAN NUMBER: 003

FORM: 5500

| (a) | (b) | (c) | (d) | (e) |
|-----|---|---|------|--------------|
| | Identity of issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par of maturity value | Cost | Market Value |
| | ABF | International Equity PA | \$ | 394,425 |
| | Morgan Stanley Instl | Equity Growth B | | 205,424 |
| | Morgan Stanley Instl | Midcap Growth Adv | | 1,027,991 |
| | Strong | Government Security | | 738,075 |
| | Credit Suisse | Capital Appreciation Comm | | 1,125,315 |
| | PIMCO | Total Return Instl | | 2,312,419 |
| | AIM | Core Stock Inv | | 1,101,514 |
| | Equifax | Employer Stock Fund | | 48,361,140 |
| | Common Stock | Frozen Certegy Common Stock | | 24,291,221 |
| * | Fidelity | Fidelity | | 632,597 |
| * | Fidelity | Equity Income | | 1,473,679 |
| * | Fidelity | Value | | 10,057,242 |
| * | Fidelity | Asset Manager | | 7,005,665 |
| * | Fidelity | Low-Priced Stock | | 11,922,697 |
| * | Fidelity | Asset Manager: Growth | | 9,604,680 |
| * | Fidelity | Aggressive Growth | | 3,286,221 |
| * | Fidelity | Diversified International | | 3,538,188 |
| * | Fidelity | Asset Manager: Income | | 1,508,439 |
| * | Fidelity | Dividend Growth | | 2,163,104 |
| * | Fidelity | Freedom Income | | 165,421 |
| * | Fidelity | Freedom 2000 | | 213,070 |
| * | Fidelity | Freedom 2010 | | 1,176,149 |
| * | Fidelity | Freedom 2020 | | 924,184 |
| * | Fidelity | Freedom 2030 | | 1,023,919 |
| * | Fidelity | Spartan International Index | | 404,772 |
| * | Fidelity | Ret Government Money Market | | 8,804,456 |
| * | Fidelity | Managed Income Portfolio | | 12,434,641 |
| * | Fidelity | Spartan US Equity Index | | 22,680,624 |
| * | Fidelity | US Bond Index | | 3,053,112 |
| * | Fidelity | Freedom 2040 | | 353,291 |
| * | Fidelity | Interest Bearing Cash | | 1,295,665 |
| | Participant Loans | Varying maturities and interest rates from 5.0% to 10.5% | N/A | 2,631,999 |
| | | | \$ | 185,911,339 |

* Party-in-interest as defined by ERISA

SIGNATURE

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

EQUIFAX INC. 401(k) PLAN

Date: June 24, 2005

By: /s/ G. KENT LINGERFELT
G. Kent Lingerfelt
Senior Vice President, Compensation
and Benefits
Member of the Equifax Inc. Group Plans
Administrative Committee, Plan
Administrator

EXHIBIT INDEX

Exhibit No.

- 23.1 Consent of Smith & Howard, P.C.
- 23.2 Consent of Ernst & Young LLP