

EUROSOFT SOLUTIONS LIMITED

(Registered No. 2775990)

For The Year Ended 31 December 2000



EUROSOFT SOLUTIONS LIMITED

Report of the Director
For the year ended 31 December 2000

The Director submits his report with the financial statements for the year ended 31 December 2000.

Results for the Year

The Company has not carried out any activities nor made any gains or losses during the year.

Principal Activities

The Company holds 50% of the ordinary share capital of Eurosoft Solutions GmbH.

Directors

The Director of the Company who held office during the year and subsequently is as follows:

| | |
|----------------|---------------------------|
| J. Phipps | (Resigned 17 August 2001) |
| Ms. A. Leyshon | Appointed 17 August 2001 |

Directors' Interests

Mr. J. Phipps had no interests in the share capital of the Company during the year (1999 : nil).

The interests of Mr.Phipps in Parity Group plc, the ultimate holding company, were as follows:-

| | At 31 December 2000 | | At 31 December 1999 | | Share Option | |
|-----------|----------------------------------|------------------|----------------------------------|------------------|-----------------------------|-----------|
| | Ordinary shares of 5p each | Share Options | Ordinary shares of 5p each | Share Options | Movement in year Granted | Exercised |
| J. Phipps | - | 66,500 | - | 46,400 | 20,000 | - |

The share options shown above are exerciseable between 3 and 10 years after the date on which they were granted at a price of 226p. All options were issued at no cost and no options were exercised during the period.

In addition to the options shown here, the Directors participate in the Parity group sharesave Schemes, which are open to all employees. These involve a saving contract which when completed will enable the participant to purchase ordinary shares in the Company.

At year end, Mr. Phipps had a three year savings contract open under the 1999 Scheme, which enables him to purchase shares at a prices of £1.46 between 2001 and 2004. The maximum number of shares he will be entitled to purchase is 1,327. At 31 December 2000, he had contributed £50 to this scheme.

EUROSOFT SOLUTIONS LIMITED

Report of the Director
For the year ended 31 December 2000

Directors' Responsibilities

The Director is required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for that period and comply with the Companies Act 1985.

In preparing the financial statements the Director is required to select suitable accounting policies and apply them consistently; make reasonable and prudent judgements and estimates; and state whether applicable accounting standards have been followed.

It is also the responsibility of the Director to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is also responsible for maintaining proper accounting records so as to enable him to comply with company law. The Director has general responsibilities for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Audit Exemption

During the period the Company was entitled to the exemption conferred by sub-section (1) of section 249AA of the Companies Act 1985 relating to the audit of its accounts.

By order of the Board

Stuckey

Secretary

Registered Office
16 St Martins Le Grand
London
EC1A 4NA

5 October 2001

Registered in England and Wales
Company No.2775990

EUROSOFT SOLUTIONS LIMITED

Balance Sheet
As at 31 December 2000

| | <i>Notes</i> | <i>31 December 2000</i> <i>£'000</i> | <i>31 December 1999</i> <i>£'000</i> |
|---|--------------|---|---|
| FIXED ASSETS | | | |
| Investments | 5 | 10 | 10 |
| CREDITORS : amounts falling due within one year | 6 | | |
| Amounts owed to undertakings in which the Company has a participating interest | | (10) | (10) |
| NET CURRENT LIABILITIES | | (10) | (10) |
| NET ASSETS | | - | - |
| REPRESENTED BY | | | |
| SHARE CAPITAL | | | |
| Authorised 100 Ordinary shares at £1 each | | | |
| Issued 2 Ordinary shares of £1 each | | - | - |
| PROFIT AND LOSS ACCOUNT | | - | - |
| EQUITY SHAREHOLDERS' FUNDS | | - | - |

I certify that the Company was entitled to the exemption under section 249AA (1) of the Companies Act 1985 for the financial year ended 31 December 2000. No notice has been deposited under sub-section (2) of section 249B in relation to its accounts for the period.

APPROVED BY THE BOARD



Director
5 October 2001

EUROSOFT SOLUTIONS LIMITED

Notes to the Financial Statements

31 December 2000

1. ACCOUNTING POLICY

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The Company has taken advantage of the exemption under S228 CA85 not to prepare group accounts as it is a wholly-owned subsidiary of Parity Group plc, which itself prepares group accounts.

2. DIRECTORS' EMOLUMENTS

Mr. J. Phipps received no emoluments for his service to the Company during the year (1999 : £nil).

3. EMPLOYEES

The Company had no employees during the year (1999 : nil). The Director has a contract of employment with other companies within the Parity Group.

4. PROFIT AND LOSS ACCOUNT

The Company has not traded during this period and made no recognisable gains or losses.

5. FIXED ASSET INVESTMENT

The fixed asset investment represents a 50% interest in the ordinary shares of Eurosoft Solutions GmbH, a company registered in Germany, whose principal activity relates to the provision of software services to the European market. Fixed asset investments are shown at cost less provision for impairment.

6. CREDITORS DUE WITHIN ONE YEAR

| | <i>31 December 2000</i> | <i>31 December 1999</i> |
|---|-------------------------|-------------------------|
| | <i>£'000</i> | <i>£'000</i> |
| Amounts due to ultimate holding company | 10 | 10 |

7. PARENT COMPANY

Parity Training Limited is the immediate parent company. Parity Group plc which is registered in England and Wales, is the ultimate parent company and is the largest and smallest parent company of the Group to consolidate these financial statements.

Consolidated financial statements for the year ended 31 December 2000 for Parity Group plc can be obtained from the Secretary, 16 St Martins Le Grand, London, EC1A 4NA.