



Steria UK Limited

Financial statements for the year ended 31 December 2001
together with directors' and auditors' reports

Registered number: 3693084



Directors' report

For the year ended 31 December 2001

Financial statements

The directors present their report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 December 2001.

Principal activity

The principal activity of the company in the year under review was that of software consultancy.

Results and dividends

The profit of the company for the year was £14,949 (2000: loss of £340,447). The directors consider that the result for the year is satisfactory.

The directors are unable to recommend the payment of a dividend (2000: £nil).

Directors

The directors during the year under review and since year-end were:

F. Enaud

J. Bachelart

A. Mesguich (appointed 1 February 2002)

J. Elharrar (appointed 1 January 2001, resigned 1 February 2002)

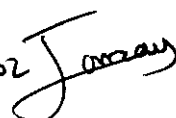
N. Seguin (resigned 13 June 2001)

F. Owen (resigned 1 January 2001)

None of the directors who held office at 31 December 2001 had a beneficial interest in the shares of the company requiring disclosure under Schedule 7 of the Companies Act 1985.

Computer House
Great West Road
Brentford
Middlesex
TW8 9DH

By order of the Board,

3 June 2002 

Sylvie Joureau
Secretary

Statement of directors' responsibilities

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 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 which disclose with reasonable accuracy at any time the financial position of the company and 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.

To the shareholders of Steria UK Limited:

We have audited the financial statements of Steria UK Limited for the year ended 31 December 2001 which comprise the Profit and loss account, the Balance sheet, the Statement of accounting policies, and the related notes numbered 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 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 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 transactions with the company 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 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 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 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 of the state of affairs of the company at 31 December 2001 and of the company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

Abbots House
Abbey Street
Reading
Berkshire
RG1 3BD

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Profit and loss account

For the year ended 31 December 2001

	Notes	Continuing operations	
		2001 £	2000 £
Turnover		1,311,972	1,927,215
Cost of sales		(250,951)	(1,041,303)
Gross profit		1,061,021	885,912
Selling and administrative expenses		(1,030,311)	(1,204,706)
Operating profit/(loss)	2	30,710	(318,794)
Interest receivable and similar income		12,456	9,653
Interest payable and similar charges	3	(28,217)	(31,306)
Profit/(Loss) on ordinary activities before and after taxation being the profit/(loss) for the financial year		14,949	(340,447)
Deficit, beginning of year		(485,282)	(144,835)
Deficit, end of year		(470,333)	(485,282)


The accompanying notes are an integral part of this profit and loss account

There are no recognised gains or losses in the year other than the loss for the year.

Balance sheet
31 December 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	6	<u>16,794</u>	<u>27,485</u>
Current assets			
Stock	7	16,800	6,794
Debtors	8	124,249	1,390,157
Cash at bank and in hand		<u>58,237</u>	<u>92,299</u>
		199,286	1,489,250
Creditors: Amounts falling due within one year	9	<u>(186,413)</u>	<u>(1,502,017)</u>
Net current assets/(liabilities)		<u>12,873</u>	<u>(12,767)</u>
Net assets		<u>29,667</u>	<u>14,718</u>
Capital and reserves			
Called-up share capital	10	500,000	500,000
Profit and loss account		<u>(470,333)</u>	<u>(485,282)</u>
Equity shareholders' funds	11	<u>29,667</u>	<u>14,718</u>

The accounts on pages 4 to 11 were approved by the Board of directors on 23 May 2002 and signed on its behalf by:


Director 3 June 2002 F. Enaud

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

Statement of accounting policies

31 December 2001

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year are set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is exempt from the requirement of Financial Reporting Standard No. 1 (Revised) to prepare a cash flow statement as it is a wholly-owned subsidiary of Steria S.A., whose consolidated accounts, which include the company's accounts are publicly available.

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. In the opinion of the directors it is appropriate to prepare the financial statements on this basis, as the company has received confirmation from its parent undertaking, Steria SA, that it will continue to support the company for a period of not less than one year from the date of approval of these financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation is provided at the following annual rates in order to write off each asset less its residual value, over its estimated useful life on a straight-line basis.

Computer equipment	-	33% straight line
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Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year and the preceding period are charged in the profit and loss account as they arise.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales-related taxes.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transactions or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the profit and loss account.

Statement of accounting policies (continued)

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Notes to the financial statements

31 December 2001

1 Turnover

All turnover derives from the company's principal activity in the United Kingdom.

2 Operating profit/(loss)

The operating profit/(loss) is stated after charging/(crediting):

	2001 £	2000 £
Foreign exchange losses/(gains)	205	(27,016)
Operating leases – land and buildings	70,495	60,000
Depreciation – owned assets	14,581	10,678
Auditors' remuneration	7,200	7,200
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3 Interest payable and similar charges

	2001 £	2000 £
Loan from parent undertaking	28,217	31,248
Bank interest	-	58
	<hr/>	<hr/>
	28,217	31,306

4 Taxation

No liability to UK corporation tax arose on ordinary activities for the year, as the company has sufficient tax losses brought forward to offset against taxable profits made in the current year.

There is no potential liability for deferred taxation at the balance sheet date (2000: nil).

5 Staff costs

The average monthly number of employees (including executive directors) was 10 (2000: 12). Their aggregate remuneration amounted to:

	2001 £	2000 £
Wages and salaries	601,322	443,764
Social security costs	69,288	70,860
Pension costs	9,719	7,231
	<hr/>	<hr/>
	680,329	521,855

The directors are remunerated by the parent undertaking, Steria SA (Note 13), and receive no emoluments directly from the company.

Notes to the financial statements (continued)

6 Tangible fixed assets

	Computer equipment £
Cost	
At beginning of year	40,085
Additions	3,890
At end of year	43,975
Depreciation	
At beginning of year	12,600
Charge for the year	14,581
At end of year	27,181
Net book value	
At end of year	16,794
At beginning of year	27,485

7 Stock

	2001 £	2000 £
Work in progress	16,800	6,794

8 Debtors

	2001 £	2000 £
Trade debtors	106,094	1,338,166
Other debtors	-	7,700
Prepayments	18,155	44,291
	124,249	1,390,157

Notes to the financial statements (continued)

9 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	89,217	57,107
Amounts (receivable from)/due to parent undertaking (net)	(83,659)	938,197
VAT	48,924	117,782
Social security and other taxes	20,837	34,005
Accrued expenses	61,218	40,968
Deferred income	49,756	313,827
Pension costs	120	131
	<u>186,413</u>	<u>1,502,017</u>

The net intercompany balance attracts interest at Eonia +2.5%.

10 Called-up share capital

	2001 £	2000 £
<i>Authorised</i>		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
<i>Allotted, called-up and fully-paid</i>		
500,000 ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

11 Reconciliation of movements in equity shareholders' funds

	2001 £	2000 £
Profit/(Loss) for the financial year	14,949	(340,447)
Issue of share capital	-	300,000
Opening equity shareholders' funds	<u>14,718</u>	<u>55,165</u>
Closing equity shareholders' funds	<u>29,667</u>	<u>14,718</u>

Notes to the financial statements (continued)

12 Financial commitments

The minimum commitment due under non-cancellable operating leases is:

	Land and buildings	
	2001	2000
	£	£
Operating leases which expire		
- within one year	<u>5,750</u>	<u>60,000</u>

13 Ultimate parent undertaking

The company is a wholly owned subsidiary of Steria SA, a company incorporated in France. Steria SA is the parent undertaking of the smallest group of which Steria UK Limited is a member. Groupe Steria SCA is the parent company of the largest group of which Steria UK Limited is a member and for which group financial statements are drawn up.

As a subsidiary undertaking of Steria SA, the company has taken advantage of the exemption in Financial Reporting Standard No. 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Groupe Steria SCA. The address at which the Groupe Steria SCA consolidated financial statements are publicly available is 12 rue Paul Dautier, 78140 Vélizy Villacoublay, France.