

Pecaso Limited

**Directors' report and financial
statements**

Registered number 03707286

17 months period ended 31 August 2007



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Directors' report

The directors present their report and the audited financial statements of the company for the 17 months period ended 31 August 2007

Principal activities

The principal activity of the company in the period under review was that of a holding company for a group involved in computer software design and implementation

Review of developments

The results of the 17 months period under review and the financial position of the company are as shown on pages 7 - 8. The company's profit on ordinary activities after taxation for the year amounted to £18,810,674 (*31 March 2006 loss £1,674,664*)

Pecaso Limited is an international "HR and IT-HR" expert service provider delivering end-to-end HR solutions across the entire Human Resources lifecycle from strategic planning, through process and organisational design to implementation planning and IT-enablement backed by ongoing training and long-term support services

Pecaso designs, builds and delivers robust HR solutions, integrating their value-add proprietary products, accelerator tools and templates for best practices in process optimisation

As an accredited leading European "SAP" Service Partner, Pecaso provides specialized mySAP ERP HCM Consulting, Implementation and Support Services – with delivery of over 1000 implementations for major blue-chip international businesses as well as for smaller organisations in the private and public sector

On 5 May 2006 the entire issued share capital of the company was acquired by Accenture BV. Pecaso's operations were integrated with Accenture's operation in seven countries, with effect from 1 December 2006

On 2 June 2006 the company changed its accounting reference date from 31 March 2007 to 31 August 2006 but no accounts were prepared to this date. On 21 September 2006 the company changed its accounting reference date to 31 August 2007

Principal risks and uncertainties

The principal risks are losing customers or employees. The Company manages this risk by providing a powerful force in the market place - leveraging deep industry skills, business and technical acumen, strong delivery capability and SAP's leading technologies

The company seeks to match £ revenue with £ expenditure to minimise exchange risk. Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the only financial risk that the directors consider relevant to this Company is credit risk. This risk is mitigated by the type of customers and the efficient collection of receivables

Dividends

There were no dividends payable for the period ended 31 August 2007 (*31 March 2006 £nil*)

Directors' report *(continued)*

Directors and their interests

The directors during the period under review were

MR Head	(Resigned 1 July 2008)
MR Braun	(Resigned 1 July 2008)
M O'Sullivan	(Resigned 1 September 2006)
FD Rosenkranz	(Resigned 5 May 2006)
T Kastner	(Resigned 1 July 2008)
G Van der Merwe	(Resigned 5 May 2006)
A St John	(Resigned 5 May 2006)
A F Pieterse	(Appointed 4 May 2006, Resigned 5 May 2006)
PA Cheese	(Appointed 5 May 2006)
AE Astall	(Appointed 5 May 2006, Resigned 7 November 2006)
PD Holmes	(Appointed 5 May 2006, Resigned 4 February 2008)
M Hughes	(Appointed 5 June 2006, Resigned 30 June 2008)
TJ Robinson	(Appointed 5 May 2006)
SA Walker (FCIS)	(Appointed 5 May 2006)
DC Thomlinson	(Appointed 7 November 2006)

None of the directors holding office at 31 August 2007 had a beneficial interest in the issued share capital of the company

According to the register of directors' interests, no rights to subscribe for shares in the company were granted to any of the directors or their immediate families, or exercised by them, during the financial period except as indicated below

	At start of period	Granted	Exercised	At end of period
M O'Sullivan	1,147,569	-	1,147,569	-
MR Head	1,018,784	-	1,018,784	-
MR Braun	1,700,000	-	1,700,000	-
T Kastner	1,700,000	-	1,700,000	-
FD Rosenkranz	850,000	-	850,000	-

Political and charitable contributions

The company made no political contributions during the period (2006 £nil) There were no charitable donations made during the period (2006 £nil)

Disclosure of information to auditors

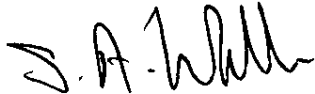
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Directors' report *(continued)*

Auditors

In accordance with section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting

By order of the board

A handwritten signature in black ink, appearing to read 'S. A. Walker', written in a cursive style.

SA Walker
Secretary
1 October 2008

60 Queen Victoria Street
London
EC4N 4TW

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the group and the parent company's financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the group and the parent company and of the profit or loss for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent 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 enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

ABCD

KPMG LLP

Altius House
One North Fourth Street
Milton Keynes
MK9 1NE
United Kingdom

Independent auditors' report to the members of Pecaso Limited

We have audited the financial statements of Pecaso Limited for the 17 months period ended 31 August 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Shareholders Funds and the related notes. 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 auditor's 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 Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 4.

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 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 other transactions 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 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 group's and 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.

Independent auditors' report to the members of Pecaso Limited (*continued*)

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 August 2007 and of its profit for the 17 months period then ended,
- 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

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

3 October 2008

Profit and loss account

for the 17 months period ended 31 August 2007

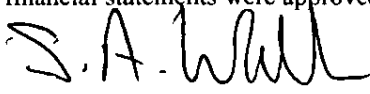
		17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
	<i>Note</i>		
Turnover	<i>1</i>	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		(1,541,072)	(1,199,338)
		<hr/>	<hr/>
Operating profit		(1,541,072)	(1,199,338)
Gain on sale of fixed assets investments	<i>8</i>	19,281,532	-
		<hr/>	<hr/>
Profit in ordinary activities before interest		17,740,460	(1,199,338)
Interest receivable and similar income	<i>4</i>	1,310,130	34,945
Interest payable and similar charges	<i>5</i>	(217,988)	(656,567)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	<i>3</i>	18,832,602	(1,820,960)
Tax on profit/(loss) on ordinary activities	<i>6</i>	(21,928)	146,296
		<hr/>	<hr/>
Profit/(loss) on ordinary activities after taxation		18,810,674	(1,674,664)
		<hr/>	<hr/>

All items in the profit and loss account for the year arise from continuing operations

Balance sheet
at 31 August 2007

	<i>Note</i>	31 August 2007 £	31 March 2006 £
Fixed assets			
Tangible assets	7	-	-
Investments	8	7,806,117	20,569,880
		<u>7,806,117</u>	<u>20,569,880</u>
Current assets			
Debtors	9	29,123,382	1,799,394
		<u>29,123,382</u>	<u>1,799,394</u>
Creditors amounts falling due within one year	10	(8,236,305)	(12,708,919)
Net current assets / (liabilities)		<u>20,887,077</u>	<u>(10,909,525)</u>
Total assets less current liabilities		<u>28,693,194</u>	<u>9,660,355</u>
Creditors: amounts falling after more than one year	11	-	-
Provisions for liabilities and charges	12	-	-
Net assets		<u>28,693,194</u>	<u>9,660,355</u>
Capital and reserves			
Called up share capital	13	306,969	263,214
Share premium account	14	10,506,220	10,360,581
Capital redemption reserve	14	21,170	21,170
Profit and loss account	14	17,858,835	(984,610)
Shareholders' funds		<u>28,693,194</u>	<u>9,660,355</u>

These financial statements were approved by the board of directors on 1 October 2008 and were signed on its behalf by


SA Walker
Director

Statement of total recognised gains and losses
For the 17 months period ended 31 August 2007

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
Profit/(loss) for the financial period	18,810,674	(1,674,664)
Foreign exchange movement	32,771	-
Total recognised gains and losses since last financial year	18,843,445	(1,674,664)

Reconciliation of movements in shareholders' funds
for the 17 months period ended 31 August 2007

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
Profit/(loss) for the financial period	18,810,674	(1,674,664)
Dividends	-	-
	18,810,674	(1,674,664)
Other recognised gains and losses relating to the year (net)	32,771	-
New share capital subscribed (net of issue costs)	189,394	55,202
Net increase/(reduction in) shareholders' funds	19,032,839	(1,619,462)
Opening shareholders' funds	9,660,355	11,279,817
Closing shareholders' funds	28,693,194	9,660,355

Notes

(forming part of the financial statements)

1 Accounting policies

The accounting policies are summarised below. They have been applied consistently throughout the year.

Accounting convention

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

Cash flow statement

Under FRS1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax. Income is recognised on a work completed basis.

Tangible fixed assets

Depreciation is provided, on a straight line basis, at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and fittings	-	15% on cost
Computer equipment	-	25% on cost
Improvements on property	-	period of lease
Motor vehicles	-	25% on cost

Research and development

Research and development costs are expensed to the profit and loss account when incurred.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Notes (continued)

1 Accounting policies (continued)

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all material timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19

Operating leases

Rentals paid under operating leases are charged to the profit and loss account as incurred in equal amounts over the lease term

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

Notes (continued)

2 Directors and employees details

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
Directors' emoluments		
Emoluments	465,767	1,123,897
Pension contributions	10,562	19,500
	<u>476,329</u>	<u>1,143,397</u>
Emoluments of highest paid director		
Emoluments	188,560	318,022
	<u>188,560</u>	<u>318,022</u>

During the 17 months period ended 31 August 2007 contributions to money purchase pension schemes were made in respect of 2 directors (2006 2)

Staff costs during the year (including directors) were.

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
Wages and salaries	420,961	1,143,397
Social security	44,806	74,778
Other pension costs	10,562	19,500
	<u>476,329</u>	<u>1,237,675</u>

Notes (continued)

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
Auditors remuneration	7,500	15,000

4 Interest receivable and similar income

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
Bank interest receivable	816	4 162
Intercompany interest	1,309,314	-
Other interest receivable	-	30,783
	<u>1,310,130</u>	<u>34,945</u>

5 Interest payable and similar charges

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
Bank interest payable	(45,962)	(111,948)
Other interest payable	(172,026)	(544,619)
	<u>(217,988)</u>	<u>(656,567)</u>

Notes (continued)

6 Tax on profit/ (loss) on ordinary activities

The tax charge/ (credit) on the profit on ordinary activities for the year was as follows

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
<i>United Kingdom corporation taxation</i>		
UK corporation tax – prior period adjustment	-	-
UK corporation tax – current year	(134,679)	-
	<hr/>	<hr/>
Current tax	(134,679)	-
<i>Deferred taxation</i>		
Origination/reversal of timing differences		
Current year	-	(146,455)
Prior year	156,607	159
	<hr/>	<hr/>
Tax charge/ (credit) on profit on ordinary activities	<u>21,928</u>	<u>(146,296)</u>

Factors affecting the tax charge for the current period

The current tax credit for the period is the same as (2006 lower than) the standard rate of corporation tax in the UK (30%, 2006 30%) The difference is explained below

	17 months period ended 31 August 2007 £	Year ended 31 March 2006 £
<i>Corporation tax</i>		
Profit/ (loss) on ordinary activities before tax	18,832,602	(1,820,960)
	<hr/>	<hr/>
Corporation tax at 30% (2006 30%)	5,649,781	(546,288)
<i>Effects of</i>		
Income not taxable	(5,784,460)	-
Expenses not deductible for tax purposes	-	41,390
Capital allowances more than depreciation	-	(519)
Group relief	-	345,754
Other short term timing differences	-	159,663
	<hr/>	<hr/>
Total current tax credit (see above)	<u>(134,679)</u>	<u>-</u>

Notes (continued)

7 Tangible fixed assets

	Fixtures and fittings £
Company	
<i>Cost</i>	
As at 1 April 2006	4,242
Disposals	(4,242)
	<hr/>
At 31 August 2007	-
	<hr/>
<i>Depreciation</i>	
As at 1 April 2006	4,242
Disposals	(4,242)
	<hr/>
At 31 August 2007	-
	<hr/>
<i>Net book value</i>	
At 31 August 2007	-
	<hr/>
At 31 March 2006	-
	<hr/>

8 Fixed asset investments

Company

Investments in subsidiary undertakings

	Shares £	Loans £	Total £
At 1 April 2006	12,763,849	7,806,031	20,569,880
Additions	70,161	-	70,161
Disposals	(12,833,924)	-	(12,833,924)
	<hr/>	<hr/>	<hr/>
At 31 August 2007	86	7,806,031	7,806,117
	<hr/>	<hr/>	<hr/>

The following is a list of subsidiary undertakings of which Pecaso Limited is the beneficial owner of the whole, or such lesser percentage as stated, of the issued share capital

Undertaking	Country of registration	Nature of business	Effective holding
Quest Solutions Limited	England & Wales	Dormant	100%
Pecaso Holdings Limited	England & Wales	Dormant	100%

During the year, the company transferred the shares in each operating subsidiary to Accenture, resulting in a gain on sale of £19,281,532. The following is a list of subsidiaries owned by Accenture after this transaction

Undertaking	Country of registration	Nature of business	Effective holding	Accenture entity
Pecaso Beteiligungs GmbH	Germany	Holding company	100%	Accenture GmbH
Pecaso UK Limited	England & Wales	HR consultancy	100%	Accenture (UK) Limited
Pecaso Hispania S L	Spain	HR consultancy	100%	Accenture SL
Pecaso Nederland BV	Holland	HR consultancy	100%	Accenture B V
Pecaso Americas Inc	USA	HR consultancy	100%	Accenture Sub Inc
Pecaso Polska sp z o o	Poland	HR Consultancy	90%	Accenture sp z o o

In June 2007 the liquidation of Pecaso Capital Solutions S A DE C V (100% effective holding by Pecaso Limited) was started and was finalised on April 28th 2008

9 Debtors

	31 August 2007 £	31 March 2006 £
Amounts owed by group undertakings	28,944,981	969,756
Corporation tax receivable	134,679	-
VAT	26,537	28,766
Social security and other taxes	4,309	-
Other Debtors	12,876	-
Unpaid share capital	-	644,265
Deferred tax	-	156,607
	<u>29,123,382</u>	<u>1,799,394</u>

Notes (continued)

10 Creditors: amounts falling due within one year

	31 August 2007 £	31 March 2006 £
Amounts owed to group undertakings	8,229,007	7,671,589
Accruals	7,296	675,375
Unpaid share capital	2	-
Social security and other taxes	-	14,445
Loan stock	-	1,566,693
Bank loan	-	1,621,332
Overdraft	-	859,485
Amounts owed to parent undertaking	-	300,000
	<u>8,236,305</u>	<u>12,708,919</u>

11 Creditors: amounts falling due after more than one year

There are no amounts falling due after more than one year (2006 nil)

12 Provision for liabilities and charges

The amounts provided for deferred taxation are set out below

	31 August 2007 £	31 March 2006 £
Short term timing differences	-	(1,558)
Losses carried forward	-	(155,049)
	<u>-</u>	<u>(156,607)</u>
Deferred tax asset	-	(156,607)

Notes (continued)

13 Called up share capital

	31 August 2007 £	31 March 2006 £
<i>Authorised</i>		
Equity		
48,050,750 Ordinary shares of 1 pence each (2006 48,050 750 Ordinary shares of 1 pence each)	480,508	480,508
21,388,033 'C' Ordinary shares of 1 pence each (2006 21 388 033 'C' Ordinary shares of 1 pence each)	213,880	213,880
	<hr/> 694,388 <hr/>	<hr/> 694,388 <hr/>
<i>Allotted, issued and fully paid up</i>		
Equity		
24,749 994 Ordinary shares of 1 pence each (2006 24 749 994 Ordinary shares of 1 pence each)	247,500	247,500
5,946,853 'C' Ordinary shares of 1 pence each (2006 1,571,378 'C' Ordinary shares of 1 pence each)	59,469	15,714
	<hr/> 306,969 <hr/>	<hr/> 263,214 <hr/>

During the year, the company issued 4,375,475 "C" Ordinary shares with a nominal value of 1p for a total consideration of £189,394

Notes (continued)

14 Reserves

Company	Share capital £	Share premium £	Profit and loss account £	Capital redemption reserve £	Total £
Opening equity shareholders' funds as at 1 April 2006	263,214	7 380,103	2,015,360	1,678	9,660,355
Retained profit for the period	-	-	18,810,674	-	18,810,674
Exchange gain	-	-	32,771	-	32,771
Share issue	43,755	145,639	-	-	189 394
Closing equity shareholders' funds as at 31 August 2007	306,969	7,525,742	20,858,805	1,678	28,693,194
Opening non equity shareholders' funds as at 1 April 2006	-	2,980,478	(2,999,970)	19,492	-
Closing non-equity shareholders' funds as at 31 August 2007	-	2,980,478	(2,999,970)	19,492	-
Opening equity and non equity shareholders' funds as at 31 March 2006	263,214	10,360 581	(984,610)	21,170	9,660,355
Closing equity and non equity shareholders' funds as at 31 August 2007	306,969	10,506,220	17,858,835	21,170	28,693,194

15 Contingent liabilities

The company, along with other UK Group Companies, has cross guarantees and debentures with some of the Group's bankers

16 Related party disclosure

The company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group

17 Ultimate parent company

The immediate parent company is Accenture BV. The accounts for Accenture BV can be obtained from Gustav Mahlerplein 90, 1082 MA Amsterdam, The Netherlands. On 31st August 2008 Pecaso Limited was acquired by Accenture Holding BV.