REBUS HUMAN RESOURCES LIMITED

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2001

Registered number: 772321



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DIRECTORS' REPORT
For the year ended 31 March 2001

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 March 2001.

Directors' responsibilities
Company law requires the directors to prepare accounts 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 accounts, 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 accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity and business review
The company receives a management fee from Rebus HR Limited in respect of management services which the directors expect to decline in the future.

Results and dividends
The audited accounts for the year ended 31 March 2001 are set out on pages 4 to 11. Turnover for the year was £2,000,000 (2000 - £3,250,000). Profit after taxation was £1,172,000 (2000 - £1,590,000) and, after dividends of £2,000,000 (2000 - £nil), a loss of £828,000 (2000 - £1,590,000 profit) was transferred to reserves.

Directors and their interests
The directors of the company who held office during the year were as follows:

G P Denley
D A Laking (resigned 30 June 2000)
P E Presland (resigned 17 August 2001)
T Score
A W Scott

At the year end none of the directors held interests in the shares of any group company, with the exception of PE Presland and T Score whose interests in Rebus Technologies Limited, Rebus Insurance Services Holdings Limited and Rebus Electrical Holdings Limited are included in the directors' report of those companies' accounts as appropriate.

Fixed assets
In the opinion of the directors the current market value of the freehold property is higher than its book value.

Creditor payment practice
It is the company's policy that payment is made on time provided that suppliers perform in accordance with the agreed terms. There were no trade creditors in the accounts of the company at 31 March 2001 (2000 - £nil).

Employment policies

The company's policy is to consult and discuss with employees matters likely to affect employee interests, including information about the company's achievements and plans. This is accomplished through individual performance reviews, team briefings and in-house newsletters. Participation by employees in the progress and profitability of the company is encouraged, where appropriate through annual performance-related bonus payments.

It is the company's policy to ensure equal opportunity for employment, training, career development and promotion, irrespective of sex, race, religion or disability. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged.

Auditors

The company has in place elective resolutions which dispense with the laying of accounts before the company in a general meeting, the holding of an annual general meeting and the obligation to appoint auditors annually.

64 Baker Street
London
W1U 7GB

18 December 2001

By order of the Board

T Score
Secretary

AUDITORS' REPORT

To the Shareholder of Rebus Human Resources Limited

We have audited the accounts on pages 4 to 11 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on pages 6 and 7.

Respective responsibilities of directors and auditors
As described on page 1 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of opinion
We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Going concern
In forming our opinion, we have considered the adequacy of the disclosures made in note 1b of the accounts concerning the uncertainty as to the continuation and renewal of the Company's bank facilities. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion
In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 March 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

Betjeman House
104 Hills Road
Cambridge
CB2 1LH

18 December 2001

PROFIT AND LOSS ACCOUNT
For the year ended 31 March 2001

	Notes	2001 £'000	2000 £'000
Turnover	2	2,000	3,250
Operating costs		(241)	(223)
Operating profit		1,759	3,027
Investment and other income		-	-
Profit on ordinary activities before taxation	3	1,759	3,027
Tax on profit on ordinary activities	4	(587)	(1,437)
Profit on ordinary activities after taxation		1,172	1,590
Dividends paid and proposed	5	(2,000)	-
Retained (loss) profit for the year	13	(828)	1,590
Retained profit, brought forward		1,778	188
Retained profit, carried forward		950	1,778

All amounts are derived from continuing operations.

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

There were no other gains and losses in the year other than the result for each year hence no statement of total recognised gains and losses has been prepared.

BALANCE SHEET
31 March 2001

	Notes	2001 £'000	2000 £'000
Fixed assets			
Tangible assets	6	3,715	3,772
Investments	7	3,636	2,075
		7,351	5,847
Current assets			
Debtors	8	19,288	4,099
Creditors: Amounts falling due within one year	9	(24,898)	(7,369)
Net current liabilities		(5,610)	(3,270)
Total assets less current liabilities		1,741	2,577
Provisions for liabilities and charges	10	(307)	(315)
Net assets		1,434	2,262
Capital and reserves			
Called-up share capital	12	45	45
Share premium account	13	423	423
Other reserves	13	16	16
Profit and loss account	13	950	1,778
Shareholders' funds - all equity	13	1,434	2,262

Signed on behalf of the Board

T Score Director

18 December 2001

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

1. Accounting policies

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

(a) Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

In accordance with s228 of the Companies Act 1985, group accounts have not been prepared because the company is itself a wholly-owned subsidiary of another UK company (see note 16) which itself prepares consolidated accounts that are publicly available.

(b) Going concern

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. The company is a subsidiary of Suber Acquisition Limited ("SAL") and has significant intercompany balances with fellow group undertakings. In addition, the assets of the company are part of a group guarantee, securing facilities that have been made available to SAL and Rebus HR Group Limited. The going concern status of the company is therefore dependent upon the status of the group headed by SAL ("the Group").

The day to day working capital requirements of the Group are met partly through bank facilities expiring on 31 December 2001 (see also note 14). Whilst the directors are confident that revised banking arrangements will be agreed shortly, there can be no certainty at the date of approval of these accounts that this will be the case.

The Group's long term funding requirements are provided in part by a syndicated bank facility. The group is in default of certain covenants in relation to this facility and has obtained waivers from the lenders which expire on 31 December 2001, although discussions concerning extensions to these waivers through to 31 March 2002 are substantially complete. The directors are of the opinion that the bank syndicate will not require immediate repayment of this loan should further breaches occur and have prepared the accounts on the basis that capital repayments and interest payments will continue to be made in accordance with the original agreement, although there can be no certainty at the date of approval of these accounts that this will be the case.

As a result of the above uncertainties, the directors have sought and received confirmation from SAL's shareholders, subject to their internal investment approval procedures, concerning their intention to continue to provide financial support to the Group for at least one year from the date of approval of these accounts. Whilst the continued support is dependent upon the approval process noted above, the directors are of the opinion that the required approvals would be obtained should they be required.

On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result if the support of the shareholders was withdrawn.

(c) Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less amounts provided for impairment.

(d) Tangible fixed assets

All fixed assets are shown at cost or valuation net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life as follows:

Freehold property	-	2% per annum

(e) *Turnover*

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of VAT.

Turnover in respect of the rental or maintenance of computer software programs is recognised as earned. Billings are included in trade debtors in accordance with the terms of the relevant rental or maintenance contract. To the extent that billings are recorded in advance of the relevant turnover, such advance billings are included in deferred income.

(f) *Taxation*

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

The taxation liabilities of certain undertakings are reduced wholly or in part by the surrender of losses by fellow group undertakings. The tax benefits arising from group relief are recognised in the accounts of the surrendering and recipient undertakings.

Deferred tax is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced.

(g) *Pension costs*

Membership of a defined benefit pension scheme is available to most of the permanent UK employees of the company. The assets of the scheme are held independently of the company and are under the control of the trustees of the scheme.

The amount charged to the profit and loss account is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The regular cost is calculated so that it represents a substantially level percentage of current and future pensionable payroll. Variations from regular cost are charged or credited to the profit and loss account over the estimated average remaining working life of scheme members.

(h) *Cashflow statement*

Under the provisions of Financial Reporting Standard No 1 (Revised) "Cash flow statements", the company has not prepared a cashflow statement because the ultimate parent undertaking, Suber Acquisition Limited, which is incorporated in Bermuda, has prepared consolidated accounts for the period which contain a cashflow statement, and are available from the address in note 16.

2. Turnover

All turnover and profit before taxation arises in the UK from the company's principal activity.

3. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2001 £'000	2000 £'000
Depreciation of tangible fixed assets:		
- owned	57	57

The audit fee was borne by another group undertaking in both years.

4. Tax on profit on ordinary activities

The tax charge is based on the profit for the year and comprises:

	2001 £'000	2000 £'000
UK corporation tax	595	1,444
Deferred taxation credit arising from:		
- capital allowances	(8)	(7)
	587	1,437

5. Dividends paid and proposed

	2001 £'000	2000 £'000
Final dividend paid: £44.09 per ordinary share (2000 - £nil)	2,000	-
	2,000	-

6. Tangible fixed assets

	Freehold property £'000
Cost or valuation	
At beginning and end of year	4,000
Depreciation	
At 31 March 2000	228
Charge for the year	57
At 31 March 2001	285
Net book value	
At 31 March 2000	3,772
At 31 March 2001	3,715

Freehold land and buildings include land valued at £1,150,000 (2000 - £1,150,000) which has not been depreciated.

Basis of valuation

Tangible fixed assets are shown at cost except for freehold land and buildings, which were valued by Martin Blackwell BSc ARICS (Chartered Surveyor) of Colin Brooks Associates Limited as at 9 February 1996. The basis of valuation was the current existing use value of the freehold interest assuming full vacant possession.

Original cost

Original cost and aggregate depreciation based on cost of freehold property included at valuation for the company are as follows:

	2001 £'000	2000 £'000
Original cost	5,040	5,040
Depreciation based on cost	(1,207)	(1,144)
	3,833	3,896

7. Investments

Investment in subsidiary undertakings

	2001 £'000
At 1 April 2000	2,075
Additions	1,561
At 31 March 2001	3,636

The increase in investments during the year arose as a result of the capitalisation of intercompany loans to Rebus France SA and Rebus China Limited.

The principal subsidiary undertakings, all of which are 100% owned, are:

Company	Country of registration and principal country of operation
Rebus Software Limited	England and Wales
Rebus Australia Pty Limited	Australia
Rebus New Zealand Limited	New Zealand
Rebus France SA	France
Rebus Software Singapore Pte Limited	Singapore
Peterborough Software (UK) Limited *(dormant)*	England and Wales
Marketwide Systems Limited	England and Wales
Rebus Nederland BV	Netherlands
Rebus Human Resource Services Limited	England and Wales
Rebus China Limited	China

The principal activity of all non-dormant subsidiary undertakings is the development and supply of computer software and the provision of related consultancy and support services. Rebus Human Resource Services Limited also provides computer bureau services.

8. Debtors

	2001 £'000	2000 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	19,284	4,095
Other debtors	4	4
	19,288	4,099

9. Creditors: Amounts falling due within one year

	2001 £'000	2000 £'000
Amounts owed to group undertakings	24,526	6,997
Corporation tax payable	372	372
	24,898	7,369

10. Provisions for liabilities and charges

	2001 £'000	2000 £'000
Deferred tax (see note 11)	307	315

11. Deferred taxation liability

The deferred taxation is attributable to:

	2001 £'000	2000 £'000
Excess of tax allowances over book depreciation of fixed assets	307	315

The movement on deferred taxation comprises:

	2001 £'000	2000 £'000
Balance at beginning of year	315	322
Credited to profit and loss account in respect of:		
- capital allowances	(8)	(7)
Balance at end of year	307	315

The company and group had unprovided deferred taxation of £78,000 (2000 - £72,000) in respect of Industrial Buildings Allowances.

12. Called-up share capital

	2001 £'000	2000 £'000
Authorised		
75,000 ordinary £1 shares	75	75
Allotted, issued and fully-paid		
45,360 ordinary £1 shares	45	45

13. Capital and reserves

	Called-up share capital £'000	Share premium account £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 31 March 2000	45	423	16	1,778	2,262
Retained profit for the year	-	-	-	(828)	(828)
At 31 March 2001	45	423	16	950	1,434

14. Guarantees and other financial commitments

Contingent liabilities

The company and certain of its subsidiaries have guaranteed the borrowings of certain other Rebus Group companies amounting, at 31 March 2001, to £9,802,080 (2000 - £10,467,560).

In addition to the above guarantee, the company and certain other companies within the Rebus Group entered into arrangements securing facilities of up to £53,253,920 (2000 - £57,684,640), made available to Suber Acquisition Limited and Rebus HR Group Limited (a wholly owned subsidiary of Suber Acquisition Limited).

15. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 "Related Party Transactions" and not disclosed transactions with other group entities that eliminate on consolidation.

16. Ultimate parent company

Rebus Human Resources Limited's ultimate holding company is Suber Acquisition Limited, a company registered in Bermuda. The registered address is Cedar House, 41 Cedar Avenue, Hamilton, HM12, Bermuda. Suber Acquisition Limited is ultimately owned as to 50% by funds managed by E M Warburg Pincus & Co LLC and as to 50% by funds managed by General Atlantic Partners, LLC.

The smallest group in which the results of Rebus Human Resources Limited are consolidated is that headed by Rebus HR Holdings Limited, whose principal place of business is at 64 Baker Street, London, W1U 7GB. The consolidated accounts of Rebus Group Limited are available from that address.

The largest group in which the results of Rebus Human Resources Limited are consolidated is that headed by Suber Acquisition Limited whose principal place of business is at Cedar House, 41 Cedar Avenue, Hamilton HM12, Bermuda. The consolidated accounts of Suber Acquisition Limited are available from that address and from 64 Baker Street, London, W1U 7GB.