COMPANY REGISTRATION NUMBER 3125867

WORKWARE BUSINESS SYSTEMS LIMITED

UNAUDITED FINANCIAL STATEMENTS

31 MARCH 2007

WORKWARE BUSINESS SYSTEMS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

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WORKWARE BUSINESS SYSTEMS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	R J Jeffery N C Bentley
Company secretary	R J Jeffery
Registered office	22-24 Ely Place London EC1N 6TE
Accountants	Shipleys LLP Chartered Accountants 10 Orange Street Haymarket London WC2H 7DQ

WORKWARE BUSINESS SYSTEMS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2007

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 March 2007

PRINCIPAL ACTIVITIES
The principal activity of the company in the period under review was that of marketing and sales of software products

DIRECTORS
The directors who served the company during the year were as follows

R J Jeffery
N C Bentley

SMALL COMPANY PROVISIONS
This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
22-24 Ely Place
London
EC1N 6TE

Signed by order of the directors

R J JEFFERY
Company Secretary

Approved by the directors on 29/1/2008

WORKWARE BUSINESS SYSTEMS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2007

	Note	Year to 31 Mar 07 £	Period from 1 May 05 to 31 Mar 06 £
TURNOVER		**1,545,733**	949,082
Cost of sales		**(1,264,793)**	(898,541)
GROSS PROFIT		**280,940**	50,541
Administrative expenses		**(291,726)**	(56,207)
OPERATING LOSS	2	**(10,786)**	(5,666)
Interest receivable		**7,818**	5,707
Interest payable and similar charges		**(312)**	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**(3,280)**	41
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		**(3,280)**	41

The notes on pages 5 to 7 form part of these financial statements

WORKWARE BUSINESS SYSTEMS LIMITED

BALANCE SHEET

31 MARCH 2007

	Note	2007 £	£	2006 £
FIXED ASSETS				
Intangible assets	3		–	–
Tangible assets	4		**9,405**	–
			9,405	–
CURRENT ASSETS				
Debtors	5	**358,728**		320,772
Cash at bank		**256,247**		457,605
		614,975		778,377
CREDITORS. Amounts falling due within one year	6	**(565,229)**		(715,946)
NET CURRENT ASSETS			**49,746**	62,431
TOTAL ASSETS LESS CURRENT LIABILITIES			**59,151**	62,431
CAPITAL AND RESERVES				
Called-up equity share capital	8		**3,673**	3,673
Profit and loss account	9		**55,478**	58,758
SHAREHOLDERS' FUNDS			**59,151**	62,431

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for
(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
(ii) preparing financial statements 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 the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the directors and authorised for issue on , and are signed on their behalf by

R J JEFFERY 29/1/2008

The notes on pages 5 to 7 form part of these financial statements

WORKWARE BUSINESS SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

Turnover represents net invoiced sales of goods, excluding Value Added Tax

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Intellectual Property Rights - over 4 years

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant & Machinery	-	over 4 years
Fixtures & Fittings	-	over 4 years

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction Exchange differences are taken into account in arriving at the operating profit

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. OPERATING LOSS

Operating loss is stated after charging

	Year to 31 Mar 07 £	Period from 1 May 05 to 31 Mar 06 £
Directors' emoluments	–	–
Staff pension contributions	**3,530**	–
Depreciation of owned fixed assets	**520**	–
Net loss on foreign currency translation	**53,277**	467

3. INTANGIBLE FIXED ASSETS

	Intellectual Property Rights £
COST	
At 1 April 2006 and 31 March 2007	**125,000**
AMORTISATION	
At 1 April 2006 and 31 March 2007	**(125,000)**
NET BOOK VALUE	
At 31 March 2007	**–**
At 31 March 2006	–

A share of the intellectual property rights to computer software, which is sold by the company, was acquired on 30 April 2002 It has been capitalised and amortised over its expected useful life

4. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Total £
COST			
Additions	**4,207**	**5,718**	**9,925**
At 31 March 2007	**4,207**	**5,718**	**9,925**
DEPRECIATION			
Charge for the year	**280**	**240**	**520**
At 31 March 2007	**280**	**240**	**520**
NET BOOK VALUE			
At 31 March 2007	**3,927**	**5,478**	**9,405**
At 31 March 2006	–	–	–

5. DEBTORS

	2007 £	2006 £
Trade debtors	**348,356**	228,972
Amounts owed by undertakings in which the company has a participating interest	**–**	91,800
Corporation tax repayable	**3**	–
Other debtors	**10,369**	–
	358,728	320,772

WORKWARE BUSINESS SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

6. CREDITORS: Amounts falling due within one year

	2007	2006
	£	£
Trade creditors	8,114	–
Amounts owed to undertakings in which the company has a participating interest	476,665	679,633
Other taxation and social security	65,450	36,313
Other creditors	15,000	–
	565,229	715,946

7 RELATED PARTY TRANSACTIONS

At 31 March 2007 Workware Business Systems Limited was owed £nil (2006 £91,800) by Organisation Consulting Partnership LLP ("OCP") in which R J Jeffery and N C Bentley were designated members until 3 April 2006, in respect of cash collections made by OCP of certain Workware Business Systems' customers

During the year, Workware Business Systems Limited was charged £1,414,000 (2006 £955,000) for professional services by Active Operations Management International LLP ("AOMi"), in which R J Jeffery and N C Bentley are designated members At 31 March 2007 Workware Business Systems Limited owed £476,665 (2006 £679,632) to AOMi

ULTIMATE CONTROLLING PARTY AND PARENT UNDERTAKING

In the opinion of the directors, the company is ultimately controlled by AOMi

8. SHARE CAPITAL

Authorised share capital·

	2007	2006
	£	£
3,673 Ordinary shares of £1 each	3,673	3,673

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	3,673	3,673	3,673	3,673

9. PROFIT AND LOSS ACCOUNT

	Year to 31 Mar 07	Period from 1 May 05 to 31 Mar 06
	£	£
Balance brought forward	58,758	58,717
(Loss)/profit for the financial year	(3,280)	41
Balance carried forward	55,478	58,758

WORKWARE BUSINESS SYSTEMS LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2007

The following pages do not form part of the statutory financial statements