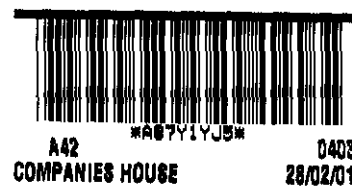


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DUHIG BERRY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
PERIOD ENDED 30TH APRIL 2000



Company Number: 1948405

DUHIG BERRY LIMITED

DIRECTORS AND ADVISERS

DIRECTORS

J Halkerston
G Dunn

SECRETARY

J G M Campbell

REGISTERED OFFICE

Campus 300
Maylands Avenue
Hemel Hempstead
Hertfordshire HP2 7TQ

COMPANY NUMBER

1948405

AUDITORS

Ernst & Young
400 Capability Green
Luton LU1 3LU

BANKERS

National Westminster Bank Plc
London EC2P 2AP

Lloyds Bank Plc
London WA1 4LN

SOLICITORS

Ashurst Morris Crisp
5 Appold Street
London EC2A 2HA

DUHIG BERRY LIMITED

DIRECTORS' REPORT

The Directors submit their report and the Financial Statements for the 10 month period ended 30th April 2000.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements that give a true and fair view of the state of affairs of the Company and of the profit or loss for its financial period. In doing so the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.

The Directors are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to 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.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's principal activity continued to be the provision of strategy and project management consultancy services. The Company's business continued to develop during the period and the Directors consider the Company's financial position to be satisfactory.

On 1st May 2000 the training business of FI Academy Limited, a fellow group undertaking, was transferred to this company and on 1st June 2000 the consultancy business of this company was transferred to OSI Services (UK) Limited, a fellow group undertaking. The Directors remain optimistic about the prospects for future profitability.

RESULTS

The results for the period are set out on page 5.

DIVIDENDS AND APPROPRIATIONS

No dividends were paid during the period (1999 £2,200,000).

DUHIG BERRY LIMITED

DIRECTORS' REPORT (Continued)

DIRECTORS AND INTERESTE IN SHARES

The names of the present Directors are given at the head of this report. A D Berry, P A Radcliffe, R F Price and M Powell resigned on 9th August 1999, 27th August 1999, 15th September 1999 and 15th September 1999 respectively. R Hartley resigned on 26th March 1999. G James and D G West resigned on 3rd May 2000. L K Barrat, T J B Scott and A B Gunn were appointed on 2nd July 1999 and resigned on 9th September 1999, 7th January 2000 and 10th March 2000 respectively. J Halkerston and C A Ferguson were appointed on 2nd July 1999 and C A Ferguson resigned on 21st September 2000. G Dunn was appointed on 1st May 2000.

G Dunn and L K Barrat are Directors of this Company's ultimate parent undertaking, F.I. GROUP PLC and their interests are not required to be recorded in this Company's register of directors' interests. The other directors had no interest in the shares of the company as defined by the Companies Act 1985.

AUDITORS

A resolution will be proposed at the Annual General Meeting to re-appoint Ernst & Young as auditors to the Company for the ensuing year.

By order of the board



J G M Campbell
Company Secretary

Registered office:

Campus 300
Maylands Avenue
Hemel Hemstead
Hertfordshire HP2 7TQ

AUDITORS' REPORT TO THE MEMBERS OF DUHIG BERRY LIMITED

We have audited the Financial Statements on pages 5 to 13, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described on page 2 the Company's Directors are responsible for the preparation of the Financial Statements in accordance with applicable United Kingdom law and accounting standards. It is our responsibility as auditors to form an independent opinion, based on our audit, on those Financial Statements and to report our opinion to you. 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 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 Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations that 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 accounts.

Opinion

In our opinion the Financial Statements give a true and fair view of the state of affairs of the Company as at 30th April 2000 and of its profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young
Registered Auditor
400 Capability Green
Luton LU1 3LU

26 February 2001

DUHIG BERRY LIMITED

PROFIT AND LOSS ACCOUNT 10 month period ended 30th April 2000

	Note	10 month period ended 30th April 2000 £	Year ended 30th June 1999 £
TURNOVER	2	5,974,048	8,136,911
Cost of sales		3,775,406	4,868,785
GROSS PROFIT		2,198,642	3,268,126
Administrative expenses		1,470,718	1,897,329
OPERATING PROFIT		727,924	1,370,797
Interest receivable and similar income	3	1,570	28
		729,494	1,370,825
Interest payable	4	1,987	8,691
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	727,507	1,362,134
Tax on profit on ordinary activities	7	234,000	440,558
PROFIT FOR THE FINANCIAL PERIOD		493,507	921,576
Dividends	8	-	2,200,000
RETAINED PROFIT/(ACCUMULATED DEFICIT) FOR THE FINANCIAL PERIOD		493,507	(1,278,424)
Retained profit brought forward		281,176	1,559,600
RETAINED PROFIT CARRIED FORWARD		774,683	281,176

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than the profit for the period and the prior year.

DUHIG BERRY LIMITED

BALANCE SHEET As at 30th April 2000

	Note	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible assets	9		148,813		214,645
Investments	10		-		-
			<u>148,813</u>		<u>214,645</u>
CURRENT ASSETS					
Debtors	11	1,992,865		3,125,519	
Cash at bank and in hand		245,359		291,340	
		<u>2,238,224</u>		<u>3,416,859</u>	
CREDITORS – amounts falling due within one year	12	1,534,204		3,256,656	
		<u>1,534,204</u>		<u>3,256,656</u>	
NET CURRENT ASSETS			<u>704,020</u>		<u>160,203</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>852,833</u>		<u>374,848</u>
CREDITORS – amounts falling due after more than one year	13		2,668		18,190
TOTAL NET ASSETS			<u>850,165</u>		<u>356,658</u>
CAPITAL AND RESERVES					
Called up share capital	15		73,032		73,032
Share premium			2,450		2,450
Profit and loss account			774,683		281,176
			<u>850,165</u>		<u>356,658</u>
EQUITY SHAREHOLDERS' FUNDS	16		<u>850,165</u>		<u>356,658</u>

Approved by the board on 23 February 2001



J Halkerston
Director

DUHIG BERRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents invoiced amounts for goods and services rendered, net of value added tax. Duhig Berry Limited provides management consultancy services.

Depreciation of tangible fixed assets

Depreciation is provided on all tangible fixed assets so as to write them off over their anticipated useful lives at the following annual rates on a straight line basis:

Leasehold improvements	– over the period of the lease
Other office equipment	– 10% - 33%
Motor vehicles	– 20%

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recovered.

Deferred taxation

Deferred taxation is calculated using the liability method and provision is made to the extent that it is probable that such tax will become payable in the foreseeable future.

Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate ruling at the date of the transaction. Differences arising are dealt with in the profit and loss account.

Research and Development

Expenditure on developing new methodologies and products are written off as incurred.

Pension costs

The Company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Investments

Investments are recorded at cost less an amount required to record a diminution in value.

Leased assets

Tangible fixed assets acquired under finance leases are capitalised at cost and the amount outstanding at the balance sheet date is included under creditors. Finance charges are included with interest payable in the profit and loss account proportionately over the periods of the agreements. Rentals under operating leases are charged to the profit and loss account as incurred.

DUHIG BERRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. TURNOVER

An analysis of turnover by geographical market is given below:

	10 month period ended 30th April 2000 £	Year ended 30th June 1999 £
United Kingdom	4,775,184	6,744,799
Other EU and non EU countries	805,683	454,785
United States of America	393,181	937,327
	<u>5,974,048</u>	<u>8,136,911</u>

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	£	£
Other interest receivable	<u>1,570</u>	<u>28</u>

4. INTEREST PAYABLE

	£	£
Bank overdraft interest	-	757
Finance lease and hire purchase interest	<u>1,987</u>	<u>7,934</u>
	<u>1,987</u>	<u>8,691</u>

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before
taxation is stated after charging/(crediting):

	£	£
Auditors' remuneration	6,000	6,000
Depreciation of owned fixed assets	69,938	73,811
Depreciation of assets held under finance lease and hire purchase contracts	8,602	32,709
Loss on disposal of fixed assets	2,609	4,149
Operating lease rentals – plant and equipment	154,404	161,797
– land and buildings	<u>87,929</u>	<u>88,199</u>

DUHIG BERRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. DIRECTORS AND OTHER EMPLOYEES

	10 month period ended 30th April 2000 £	Year ended 30th June 1999 £
Staff costs include the following:		
Wages and salaries	1,807,661	1,819,339
Social security costs	202,894	210,093
Other pension costs	156,503	139,080
	<u>2,167,058</u>	<u>2,168,512</u>

Staff costs include Directors' remuneration

The average number of persons employed
by the Company during the period was as follows:

	Number	Number
Directors	5	8
Consultants	22	25
Administration	17	18
	<u>44</u>	<u>51</u>

The emoluments of the Directors were as follows: £ £

Emoluments for qualifying services as executives	292,579	321,632
Company contributions to money purchase pensions schemes	29,154	38,105
	<u>321,733</u>	<u>359,737</u>

The emoluments of the highest paid Director amounted to £101,845 (1999 £106,556) and the pension contributions of the highest paid Director amounted to £12,156 (1999 £12,783). Three Directors have benefits accruing under a money purchase pension scheme, to which the Company contributes.

DUHIG BERRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	10 month period ended 30th April 2000 £	Year ended 30th June 1999 £
UK Corporation tax	234,000	440,558

8. DIVIDENDS

	£	£
Ordinary – interim paid	-	2,200,000

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Other office equipment £	Motor vehicles £	Total £
Cost:				
At 1st July 1999	2,121	356,811	140,347	499,279
Additions	-	66,647	-	66,647
Disposals	-	(19,173)	(35,665)	(54,838)
Transfer to fellow group undertaking	-	-	(33,200)	(33,200)
At 30th April 2000	2,121	404,285	71,482	477,888
Depreciation:				
At 1st July 1999	2,121	237,322	45,191	284,634
Charge for year	-	69,938	8,602	78,540
Disposals	-	(4,496)	(20,196)	(24,692)
Transfer to fellow group undertaking	-	-	(9,407)	(9,407)
At 30th April 2000	2,121	302,764	24,190	329,075
Net book value at 30th April 2000	-	101,521	47,292	148,813
Net book value at 30th June 1999	-	119,489	95,156	214,645

The net book value of assets held under finance leases and hire purchase agreements at 30th April 2000 was £47,292 (1999 £95,156).

DUHIG BERRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. FIXED ASSET INVESTMENTS	2000	1999
	£	£
Cost:		
At 1st July 1999	-	645
Transfer to fellow group undertaking	-	(645)
	<u>-</u>	<u>-</u>
At 30th April 2000	<u>-</u>	<u>-</u>

11. DEBTORS	£	£
Trade debtors	983,196	1,363,272
Amounts owed by group companies	945,771	1,686,949
Other debtors	37,335	403
Prepayments and accrued income	26,563	74,895
	<u>1,992,865</u>	<u>3,125,519</u>

Included in debtors is £37,335 (1999 £37,335) falling due after more than one year.

12. CREDITORS – amounts falling due within one year	£	£
Trade creditors	259,021	360,068
Amounts owed to group companies	635,572	960,656
Obligations under finance leases and hire purchase contracts (see note 14)	15,275	34,273
UK Corporation Tax	234,684	440,538
Other Taxes and Social Security	210,668	1,205,118
Other creditors	97,345	6,671
Accruals and deferred income	81,639	249,332
	<u>1,534,204</u>	<u>3,256,656</u>

13. CREDITORS – amounts falling due after more than one year	£	£
Obligations under finance leases and hire purchase contracts (see note 14)	<u>2,668</u>	<u>18,190</u>

DUHIG BERRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	2000 £	1999 £
Amounts falling due within one year	15,275	34,273
Between one and five years	2,668	18,190
	<u>17,943</u>	<u>52,463</u>

15. CALLED UP SHARE CAPITAL

Authorised:	£	£
44,000 'A' ordinary shares of 25p each	11,000	11,000
3,000,000 'B' ordinary shares of 1p each	30,000	30,000
12,000 'C' ordinary shares of 50p each	6,000	6,000
431,000 'D' ordinary shares of £1 each	431,000	431,000
22,000,000 'E' ordinary shares of 0.1p each	22,000	22,000
	<u>500,000</u>	<u>500,000</u>
Called up, allotted and fully paid:	£	£
42,412 'A' ordinary shares of 25p each	10,603	10,603
2,525,170 'B' ordinary shares of 1p each	25,252	25,252
10,576 'C' ordinary shares of 50p each	5,288	5,288
10,055 'D' ordinary shares of £1 each	10,055	10,055
21,834,420 'E' ordinary shares of 0.1p each	21,834	21,834
	<u>73,032</u>	<u>73,032</u>

The shareholders of each class are entitled to the following rights (when divided by the number of shares in issue) in respect of voting, capital redemption on liquidation of the company, or dividends:

	%
'A' ordinary shares of 25p each	22.1338
'B' ordinary shares of 1p each	45.8360
'C' ordinary shares of 50p each	11.0360
'D' ordinary shares of £1 each	20.9900
'E' ordinary shares of 0.1p each	0.0042
	<u>100.0000</u>

Dividends may be declared on a single class of share only. However, the other shares classes are then entitled to a preference as regards any future distribution such that, in the final analysis, the cumulative amount distributed to each class of shares follows the percentages outlined above.

DUHIG BERRY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
Profit for the financial period	493,507	921,576
Dividends	-	(2,200,000)
Net addition to/(reduction in) shareholders' funds	493,507	(1,278,424)
Opening shareholders' funds	356,658	1,635,082
Closing shareholders' funds	850,165	356,658

17. FINANCIAL COMMITMENTS

The amounts payable in the next year in respect of operating leases are shown below, analysed according to the expiry date of the leases.

	Land and buildings		Other	
	2000 £	1999 £	2000 £	1999 £
Expiry date:				
Within one year	-	-	1,056	10,692
Between one and five years	15,569	7,785	168,766	111,077
After five years	72,630	72,630	-	-
	88,199	80,415	169,822	121,769

18. PENSIONS

The Company operates a defined contribution scheme in respect of certain of its employees. Contributions are charged in the Financial Statements as incurred and there were no outstanding or prepaid contributions as at the balance sheet date. Pension costs charged in the period were £156,503 (1999 £139,080).

19. POST BALANCE SHEET EVENT

On 1st May 2000 the training business of FI Academy Limited, a fellow group undertaking, was transferred to this company and on 1st June 2000 the consultancy business of this company was transferred to OSI Services (UK) Limited, a fellow group undertaking.

20. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Directors regard F.I. GROUP PLC, registered in England and Wales, as the Company's ultimate parent company and controlling party. The largest and smallest group of undertakings of which the company is a member and for which group accounts are drawn up is F.I. GROUP PLC. Financial Statements for F.I. GROUP PLC can be obtained from Campus 300, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TQ.

The company has taken advantage of the exemptions available to subsidiary undertakings under FRS 8 by not disclosing transactions with entities of the group qualifying as related parties.