

Registered Number 2942785

Harbinger Commerce Limited

Abbreviated Accounts
for the year ended 31 December 2004



Harbinger Commerce Limited

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**Company Information
for the year ended 31 December 2004**

Directors: P Finegan
J Redfern
Inovis International, Inc

Secretary: P Finegan

Registered office: 2 Station View
Guildford
Surrey
GU1 4JY

Registration number: 2942785

Auditors: PricewaterhouseCoopers LLP
9 Greyfriars Road
Reading
RG1 1JG

**Independent auditors' report to the members of
Harbinger Commerce Limited
Under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages 3 to 7, together with the full financial statements of the company for the year ended 31 December 2004 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 7 are properly prepared in accordance with those provisions.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Reading

27 October 2005

Abbreviated balance sheet as at 31 December 2004

	Note	2004 £	2003 £
Fixed Assets			
Tangible assets	2	89,059	139,421
Current assets			
Debtors		1,477,479	1,583,742
Cash at bank and in hand		626,331	120,256
		2,103,810	1,703,998
Creditors – Amounts falling due within one year		(2,720,288)	(2,460,032)
Net current liabilities		(616,478)	(756,034)
Total net liabilities		(527,419)	(616,613)
Capital and reserves			
Called-up share capital	3	187,661	187,661
Share premium account		374,353	374,353
Capital redemption reserve		85,000	85,000
Profit and loss account		(1,174,433)	(1,263,627)
Total shareholders' deficit		(527,419)	(616,613)

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and were approved by the board of directors on 26 October 2005 and were signed on its behalf by:



P Finegan
Director

Notes to the abbreviated accounts for the year ended 31 December 2004

1 Accounting policies

These financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies are set out below.

At 31 December 2004, the company had net current liabilities of £616,478 (2003: £756,034) and net liabilities of £527,419 (2003: £616,613). The directors have prepared the financial statements on a going concern basis as Inovis, Inc., the current immediate parent undertaking, has confirmed that it will continue to provide financial support to enable the company to continue in business as a going concern and to satisfy all third party obligations in full when they become due for a period of at least twelve months from the balance sheet date.

The financial statements do not include any adjustments that might be necessary if the financial support was not forthcoming.

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.

Revenue recognition and deferred income

For software licenses, the revenue is recognised on delivery of the key or upon ascertainment that no significant obligations pertaining to the sale of the software exist.

Consulting and training revenue are recognised when the related services are performed.

Hosted services revenue consists of two elements being a standard monthly fee over an agreed contract term with revenue being recognised over the duration of the customer contract and additional services provided on a time and materials basis with revenue being recognised as the services are performed.

For maintenance contracts, the revenue is recognised over the period of the contract on a straight line basis. The amount of deferred income is disclosed separately within creditors, amounts falling due within one year.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold improvements	- over the term of the lease
Computer equipment	- 20% to 33⅓% straight line
Office fixtures and fittings	- 14.3% straight line

Residual value is calculated on prices prevailing at the date of acquisition.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction 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.

Leasing

Rentals under operating leases are charged against income on a straight line basis over the lease term, even if the payments are not made on such a basis.

Pension costs

The cost of providing retirement pensions under the defined contribution schemes is charged to the profit and loss account as contributions fall due. The difference, if any, between the charge to the profit and loss account and the contributions paid to the schemes is shown as an asset or a liability in the balance sheet.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2 Tangible assets

	Total £
Cost	
At 1 January 2004	920,386
Additions	15,681
Disposals	(220,007)
At 31 December 2004	716,060
Accumulated Depreciation	
At 1 January 2004	780,965
Charge for the year	66,043
Disposals	(144,724)
Impairment	(75,283)
At 31 December 2004	627,001
Net book amount	
At 31 December 2004	89,059
At 31 December 2003	139,421

3 Called-up share capital

	2004 £	2003 £
Authorised		
1,100,000 ordinary shares of £1 each	1,100,000	1,100,000
170,000 redeemable ordinary shares of £1 each	170,000	170,000
	1,270,000	1,270,000
Allotted and fully paid		
102,661 ordinary shares of £1 each	102,661	102,661
85,000 redeemable ordinary shares of £1 each	85,000	85,000
	187,661	187,661

The redeemable ordinary shares are redeemable at the option of the company. Each of the redeemable ordinary shares carries one vote and has equal voting rights to the ordinary shares in issue.

4 Ultimate parent undertaking

The ultimate parent company is Inovis International Inc., a company incorporated in the State of Delaware USA. Inovis Inc. a company incorporated in the State of California USA., is the company's immediate parent company.

The largest and smallest group in which the results of the company for the year are consolidated is that headed by Inovis International Inc. The consolidated financial statements of the group may be obtained from Parkway 400, 11720 Amber Park Drive, Alpharetta, Georgia, 30004, USA.

Advantage has been taken of the exemptions available under Financial Reporting Standard No.8 for the non-disclosure of transactions between group undertakings.