LOGICACMG (ENABLE) LIMITED

Directors' report and financial statements
for the year ended 31 December 2005

Company number: 3282108

Directors' report

for the year ended 31 December 2005

The directors present their report on the affairs of the company, together with the audited financial statements and independent auditors' report, for the year ended 31 December 2005.

Principal activity, business review and future developments

The principal activity of the company is the sale of computer software, hardware and implementation services.

Turnover amounted to £0.3 million, compared with £0.4 million for the previous period. Profit before tax was £23,000, compared with £43,000 loss for the previous period.

Results and dividends

The company's profit for the financial year was £22,000 (2004: £44,000 loss), which will be added to the reserves. The directors do not recommend the payment of a dividend (2004: £Nil).

Directors

The directors who served during the year and up to the date of signing the accounts:

K. Radley

LogicaCMG International Holdings Limited

Directors' interests

The beneficial interests of the directors in the share capital of LogicaCMG plc were as follows:

Ordinary Shares of 10p each

	31 December 2005	31 December 2004
K. J. Radley	45,685	30,457

Share Options

Options to subscribe for ordinary shares of LogicaCMG plc granted to the directors during the year (or acquired under a LogicaCMG plc rights issue adjustment) and held at the year end were as follows:

	At 31 December 2004	Granted during the year *	Lapsed during the year	At 31 December 2005
K. J. Radley	221,087	121,417	(275)	342,229

*or acquired under a rights issue adjustment

The market price on the date of the 2005 option grant was 181p. This grant has a four-year exercise period following a three-year performance period.

The directors had no other interests in the shares of the company or any other company within the LogicaCMG group required to be disclosed other than those referred to above. The directors had no beneficial interest in any contract significant to the company's business.

Directors' report (continued)

for the year ended 31 December 2005

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year to 31 December 2005 and that applicable accounting standards have been followed.

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 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.

Auditors

Elective resolutions have been passed by the company pursuant to the Companies Act 1985 dispensing with the requirements to lay accounts and reports before general meetings, to hold annual general meetings and to appoint auditors annually. Accordingly, pursuant to section 386 of the Companies Act 1985, PricewaterhouseCoopers LLP are deemed to be re-appointed as auditors to the company.

Approved by the Board of Directors and signed on behalf of the Board

22/06/06.

Kevin Radley
For and on behalf of
LogicaCMG (Enable) Limited
Director

Independent auditors' report

To the members of LogicaCMG (Enable) Limited

We have audited the financial statements of LogicaCMG (Enable) Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and

- have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
West London

22 June 2006

Profit and loss account

For the year ended 31 December 2005

	Note	Year ended 31 December 2005 £'000	Year ended 31 December 2004 £'000
Turnover	2	279	427
Cost of Sales		(163)	(196)
Gross profit		116	231
Administrative expenses		(93)	(274)
Profit/(loss) on ordinary activities before taxation	4	23	(43)
Tax charge on loss on ordinary activities	5	(1)	(1)
Profit/(loss) for the financial year	9	22	(44)

All amounts above relate to the continuing operations of the company.

There are no recognised gains or losses other than those shown in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There are no material differences between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

Balance sheet

As at 31 December 2005

	Note	2005 £'000	2004 £'000
Current assets			
Debtors	6	163	496
Creditors – amounts falling due within one year	7	(49)	(404)
Net assets		114	92
Capital and Reserves			
Called-up share capital	8	-	-
Profit and loss account	9	114	92
Total equity shareholders' funds	10	114	92

The financial statements on pages 4 to 9 were approved by the Board on Date and signed on its behalf by,

22/06/06

K.J. Radley
Director

Notes to the financial statements

for the year ended 31 December 2005

1. Accounting policies

The principal accounting policies are set out below. They have all been applied consistently throughout the year and the preceding period.

Basis of preparation
The accounts have been prepared, on the going concern basis, under the historical cost convention in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom.

Cash flow exemption
The company is a wholly owned subsidiary company of a group headed by LogicaCMG UK plc, and is included in the consolidated accounts of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS 1 'Cash flow statements (revised 1996)' from preparing a cash flow statement.

Turnover
Turnover represents the fair value of work done for clients including attributable profit and after adjusting for all foreseeable future losses but excluding local sales taxes. Turnover in respect of software product licences with no significant service revenue is recognised 100 per cent on delivery. For other software product licences, turnover is recognised on a percentage completion basis based on the fair value of work performed. Where the *time value of money is material, turnover is recognised as the present value of the cash inflow expected to be* received from the customer in settlement.

Recognition of Profits
Profit on contracts for the supply of professional services at predetermined rates is taken as and when the work is performed, irrespective of the duration of the contract.

Profit is taken on fixed price contracts whilst the contract is in progress, having regard to the proportion of the total contract which has been completed at the balance sheet date and estimated costs by reference to the costs incurred to date versus total estimated costs to completion. Provision is made for all foreseeable future losses.

Amounts Recoverable on Contracts
Amounts recoverable on contracts represent turnover which has not yet been invoiced to clients on fixed price contracts. Such amounts are separately disclosed within debtors.

The valuation of amounts recoverable on fixed price contracts is adjusted to take up profit to date or foreseeable losses in accordance with the accounting policy for recognition of profits.

Other amounts recoverable on contracts are valued at cost, or at estimated net realisable amount if lower. Cost comprises:

- professional amounts recoverable valued at the cost of salaries and associated payroll expenses of employees engaged on assignments and a proportion of attributable overheads;
- unbilled expenses incurred and equipment purchased for clients in connection with specific contracts.

Foreign currencies
Transactions denominated in foreign currencies are translated into pounds sterling at the rate prevailing on the date of the transaction. Monetary assets and liabilities are translated into sterling at the rates prevailing at the balance sheet date. Exchange gains and losses arising from the re-translation of foreign currency denominated monetary assets and liabilities are taken to the profit and loss account.

Notes to the financial statements (Continued)

for the year ended 31 December 2005

1. Accounting policies (continued)

Taxation

Corporation tax is provided on taxable profits at amounts expected to be paid, or recovered, under the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised to take account of timing differences between the treatment of transactions for financial reporting purposes and their treatment for tax purposes. A deferred tax asset is only recognised when it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Turnover

All turnover was derived from the United Kingdom and from the one class of business.

3. Staff costs

There were no employees during the period (2004: Nil). None of the directors received any remuneration in respect of their services to the company.

4. Profit on ordinary activities before taxation

The cost of auditors' remuneration is borne by LogicaCMG UK Limited. There were no non-audit services provided during the period.

5. Taxation

	Year ended 31 December 2005	Year ended 31 December 2004
	£'000	£'000
Current taxation:		
UK corporation tax on loss of the year	-	-
Total current tax	-	-
Deferred taxation:		
Origination and reversal of timing differences	(1)	1
Under provision in respect of prior year	-	(2)
Total deferred taxation	(1)	(1)
Tax charge on profit/(loss) on ordinary activities	(1)	(1)

Notes to the financial statements (Continued)

for the year ended 31 December 2005

5. Taxation (continued)

The tax assessed for the period is higher/lower than (2004: higher) the standard rate of corporation tax in the UK (30%).

The differences are explained below:

	Year ended 31 December 2005 £'000	Year ended 31 December 2004 £'000
Profit/(loss) on ordinary activities before tax	23	(43)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK 30% (2004: 30%)	7	(13)
Effects of:		
Capital allowances in excess of depreciation	(1)	(1)
Group tax relief - tax losses claimed for no consideration	(6)	14
Total current tax credit for the year	~	~

Deferred tax
A deferred tax asset has been recognised as follows:

	Year ended 31 December 2005 £'000	Year ended 31 December 2004 £'000
Accelerated capital allowances	~	1

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements.

The movement on deferred tax is as follows:

	£'000
At 1 January 2005	1
Credit in respect of current year	(1)
At 31 December 2005	~

6. Debtors

	2005 £'000	2004 £'000
Trade debtors	56	54
Amounts owed by Group undertakings	107	441
Deferred taxation (Note 5)	~	1
	163	496

7. Creditors

	2005 £'000	2004 £'000
Amounts falling due within one year:		
Payments received on account	49	132
Amounts due to Group undertakings	~	272
	49	404

Notes to the financial statements (Continued)

for the year ended 31 December 2005

8. Share capital

	2005 £	2004 £
Authorised:		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called-up and fully paid:		
100 Ordinary shares of £1 each	100	100

9. Reserves

	Profit and loss account £'000
At 1 January 2005	92
Profit for the financial year	22
At 31 December 2005	114

10. Reconciliation of movements in shareholders' funds

	2005 £'000	2004 £'000
Profit/(loss) for the financial year	22	(44)
Opening equity shareholders' funds	92	136
Closing equity shareholders' funds	114	92

11. Related party transactions

As a wholly owned subsidiary undertaking of LogicaCMG plc, the company has taken advantage of the exemption in Financial Reporting Standard 8 'Related Party Transactions' from disclosing transactions with other members of the group headed by LogicaCMG plc, whose accounts are publicly available. There were no other related party transactions.

12. Ultimate parent undertaking

The immediate parent undertaking is Team 121 Limited (99%). The ultimate parent undertaking and controlling party is LogicaCMG plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. LogicaCMG plc is incorporated in the United Kingdom. Copies of the LogicaCMG plc financial statements are publicly available from:

The Company Secretary
LogicaCMG plc
Stephenson House
75 Hampstead Road
London
NW1 2PL