

**ATOS LIMITED**

**Report and Financial Statements**

**Year ended 31 December 2002**

**Deloitte & Touche  
London**



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COMPANIES HOUSE

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**REPORT AND FINANCIAL STATEMENTS 2002**

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**REPORT AND FINANCIAL STATEMENTS 2002**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

P B Bingham  
J B Campbell  
S W Smith

**REGISTERED OFFICE**

1 - 2 Dorset Rise  
Blackfriars  
London  
EC4Y 8EN

**BANKERS**

Barclays Bank PLC  
Watford Business Centre  
32 Clarendon Road  
Watford  
WD1 1LD

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
London

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

### **PRINCIPAL ACTIVITY**

The company was non-trading in the current year. In the prior year the principal activities of the company included one major IT outsource contract and the servicing of transaction processing contracts on behalf of the parent company.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The directors are in the process of acting to realise all remaining assets and liabilities prior to the company being liquidated.

### **RESULTS AND DIVIDENDS**

The result for the year was a profit of £535,000k (2001: £62,000). The directors do not recommend the payment of a dividend (2001: £1,644,000).

### **DIRECTORS AND THEIR INTERESTS**

The directors who held office throughout the year are shown on page 1. None of the directors who held office at the end of the financial year had any disclosable interests in the shares of the company or any other group company.

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



Director

26 June 2003

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial year, 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 the profit or loss of the company for that period. In preparing those financial statements, 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; and
- prepare the financial statements 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 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
ATOS LIMITED**

We have audited the financial statements of Atos Limited for the year ended 31 December 2002, which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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 transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

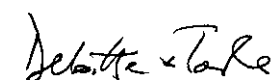
**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 circumstances of the company, consistently applied and adequately disclosed.

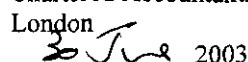
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 of the state of affairs of the company as at 31 December 2002 and its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**Deloitte & Touche**

Chartered Accountants and Registered Auditors

London  
 2003

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2002**

	Note	2002 £'000	2001 £'000
<b>TURNOVER</b>	2	97	3,794
Changes in stock of raw materials and consumables		(13)	(977)
Other external charges		(123)	(1,731)
Staff costs	3	-	(1,008)
Depreciation and other amounts written off tangible and intangible fixed assets		-	(60)
<b>OPERATING (LOSS)/PROFIT</b>	4	(39)	18
Interest receivable		-	8
Interest payable and similar charges	5	-	(10)
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(39)	16
Tax credit on (loss)/profit on ordinary activities	6	574	46
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		535	62
Dividend paid	7	-	(1,644)
<b>RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	12	535	(1,582)


There are no recognised gains or losses in either the current or the previous financial years, other than as stated above, therefore no statement of total recognised gains and losses is required. All transactions are derived from discontinued operations.

BALANCE SHEET  
31 December 2002

	Note	2002 £'000	2001 £'000
<b>CURRENT ASSETS</b>			
Debtors	8	3,174	3,158
<b>CREDITORS: amounts falling due within one year</b>	9	(2,539)	(3,012)
<b>NET CURRENT ASSETS</b>		<u>635</u>	<u>146</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	10	-	(46)
<b>NET ASSETS</b>		<u>635</u>	<u>100</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	100	100
Profit and loss account	12	535	-
<b>EQUITY SHAREHOLDERS' FUNDS</b>	12	<u>635</u>	<u>100</u>

These financial statements were approved by the Board of Directors on 25 June 2003.  
Signed on behalf of the Board of Directors

Director

  
J. B. Campbell



**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2002****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Basis of preparation**

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

The company intends to go into voluntary liquidation in the near future. The accounts have been prepared on the going concern basis as the assets and liabilities in the balance sheet are all realisable in less than one year.

**Deferred taxation**

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

FRS 19 "Deferred Tax" has been adopted in the preparation of these financial statements. This has not resulted in a prior year adjustment nor has it had any effect on the tax charge reported for the year ended 31 December 2002.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Pensions and other post-retirement benefits**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**2. TURNOVER**

Turnover represents amounts derived from the provision of goods and services which fall within the Company's ordinary activities after deduction of trade discounts and value added tax. The turnover and pre-tax result, all of which arises in the United Kingdom, are attributable to one activity, the provision of IT outsourcing services.

	2002 £'000	2001 £'000
With third parties	97	2,639
Within the group	-	1,155
	<u>97</u>	<u>3,794</u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2002****3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

None of the directors received emoluments for their services to the company during the year (2001 - £nil).

	2002 No.	2001 No.
<b>Average number of persons employed (excluding directors)</b>		
Provision of services	-	31
	<u>-</u>	<u>31</u>
	<b>£'000</b>	<b>£'000</b>
<b>Staff costs during the year</b>		
Wages and salaries	-	863
Social security costs	-	107
Pension costs	-	38
	<u>-</u>	<u>1,008</u>
	<u>-</u>	<u>1,008</u>

**4. OPERATING (LOSS)/PROFIT**

	2002 £'000	2001 £'000
<b>Operating (loss)/profit is stated after charging:</b>		
Depreciation and amortisation:		
- Owned assets	-	26
- Leased assets	-	34
Rentals under operating leases:		
- Short leasehold property	-	190
- Motor vehicles	-	40
	<u>-</u>	<u>40</u>
	<u>-</u>	<u>40</u>

The auditors' remuneration has been borne by the parent company in both the current and prior years.

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2002 £'000	2001 £'000
Group loans repayable within five years	-	2
Bank loans and overdrafts	-	8
	<u>-</u>	<u>10</u>
	<u>-</u>	<u>10</u>

## NOTES TO THE ACCOUNTS

Year ended 31 December 2002

## 6. TAX CREDIT ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	2002 £'000	2001 £'000
United Kingdom corporation tax credit in respect of prior years	574	46

There is no deferred tax charge for the year (2001: £nil).

There is no deferred tax liability at 31 December 2002 (2001: £nil).

*Factors affecting the tax charge for the current year*

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK (30%) (2001:30%). The differences are explained below.

	2002 £'000	2001 £'000
<i>Current tax reconciliation</i>		
(Loss) / profit on ordinary activities before tax	(39)	16
Tax at 30% thereon:	(12)	5
<i>Effects of:</i>		
Expenses not deductible for tax purposes	12	12
Capital allowances in excess of depreciation	-	(6)
Utilisation of tax losses	-	(11)
Prior year adjustments	(574)	(46)
Total current tax charge (see above)	(574)	(46)

## 7. DIVIDEND PAID

Dividends of £nil were paid during the year (2001: £16.44 per share).

## 8. DEBTORS

	2002 £'000	2001 £'000
Amounts owed by group undertakings	3,174	3,158

## 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £'000	2001 £'000
Amounts owed to group undertakings	2,539	2,438
Corporation tax	-	574
	2,539	3,012

NOTES TO THE ACCOUNTS  
Year ended 31 December 2002

## 10. PROVISIONS FOR LIABILITIES AND CHARGES

	£'000
<b>Restructuring costs</b>	
At 1 January 2002	46
Utilised in the year	(46)
	<hr/>
At 31 December 2002	-
	<hr/>

## 11. CALLED UP SHARE CAPITAL

	2002 £'000	2001 £'000
Authorised, called up, allotted and fully paid: 100,000 ordinary shares of £1 each	<hr/> 100	<hr/> 100

## 12. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENT ON RESERVES

	Called up share capital £'000	Profit and loss account £'000	2002 Total £'000	2001 Total £'000
At 1 January	100	-	100	1,682
Profit/(loss) for the year	<hr/> -	<hr/> 535	<hr/> 535	<hr/> (1,582)
At 31 December	<hr/> 100	<hr/> 535	<hr/> 635	<hr/> 100

## 13. ULTIMATE PARENT AND CONTROLLING ENTITY

As at 31 December 2002, the ultimate parent company and controlling entity was Atos Origin S.A., which is incorporated in France. This is the largest group of which the Company is a member and is the company for which group accounts are prepared. Copies of these financial statements are available from its head office, which is situated at:

Immeuble Ile-de-France  
3 Place de la Pyramide  
92067 Paris La Defense  
Cedex  
France.

The company's immediate parent company is Atos Origin UK Limited, a company incorporated in Great Britain. The smallest group in which the results of the company are consolidated is that headed by Origin BV, which is incorporated in The Netherlands. The consolidated accounts of this group are available to the public and may be obtained from Origin BV, Deccaweg 26, 1042 AD Amsterdam, The Netherlands.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2002**

**14. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption under Financial Reporting Standard 8 from disclosing transactions with entities that are part of the Atos Origin SA group of companies.