

**XCHANGING INTERNATIONAL LIMITED**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**



Registered number: 3362271

# **Xchanging International Limited**

## **Report and Accounts for the year ended 31 December 2004**

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## **Directors and Advisors**

### **Directors**

D Bauernfeind  
R Gogel  
R Houghton

### **Company Secretary**

C Fussell

### **Registered Offices**

34 Leadenhall Street  
London  
EC3A 1AX

### **Registered auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

### **Solicitors**

Clifford Chance LLP  
10 Upper Bank Street  
Canary Wharf  
London  
E14 5JJ

### **Bankers**

Barclays Bank Plc  
50 Pall Mall  
PO Box No 15162  
London  
SW1A 1QB

**Directors' report  
For the year ended 31 December 2004**

The directors present their report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 2004.

**Change of name**

On 9 August 2004 the company changed its name from Rebus International Limited to Xchanging International Limited.

**Principal activity**

The company acts as a holding company for certain other group undertakings.

**Change of ownership**

Xchanging group acquired control of the group headed by Xchanging Global Insurance Systems Limited, of which the company is a part, on 1 January 2004.

**Results and dividends**

The company did not trade during the current or preceding accounting period and therefore no profit and loss account has been presented. No dividends were paid or are proposed (period ended 31 December 2003 – nil).

**Directors and their interests**

The directors of the company who have held office since the beginning of the period are:

D Bauernfeind	(appointed 23 July 2004)
K F Campbell	(resigned 19 April 2004)
R N Gogel	(resigned 6 <sup>th</sup> May 2005)
R A Houghton	(appointed 23 July 2004)

The directors do not hold any direct interests in the shares of the company. The interests of the directors in the shares of other companies within the group headed by Suber Acquisition Limited (see note 9) at the previous period end are detailed, where appropriate, in the directors' reports of Xchanging Global Insurance Systems Limited (formerly Rebus Insurance Services Limited).

**Statement of directors' responsibilities**

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 accounts, 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;
- 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 they have complied with these requirements.

The directors are responsible for keeping proper accounting records which 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Directors' report**  
**For the year ended 31 December 2004**

**Auditors**

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution to reappoint them as auditors will be proposed at the next annual general meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'D Bauernfeind', written in a cursive style.

D Bauernfeind  
Director  
5 August 2005

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
Xchanging International Limited**

We have audited the financial statements which comprise of the balance sheet and the related notes.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 transactions is not disclosed.

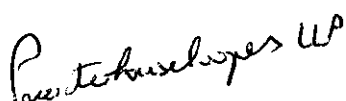
**Basis of audit opinion**

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 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 the company's affairs at 31 December 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**London 5 August 2005**

**Balance sheet**  
**As at 31 December 2004**

	Notes	31 December 2004 £	31 December 2003 £
<b>Fixed assets</b>			
Investments	3	<u>18,115</u>	<u>18,115</u>
<b>Creditors: amounts falling due within one year</b>	4	<u>(16,848)</u>	<u>(16,848)</u>
<b>Net current liabilities</b>		<u>(16,848)</u>	<u>(16,848)</u>
<b>Net assets</b>		<u>1,267</u>	<u>1,267</u>
<b>Capital and reserves</b>			
Called-up share capital	5	1,000	1,000
Profit and loss account		<u>267</u>	<u>267</u>
<b>Shareholders' funds - all equity</b>	6	<u>1,267</u>	<u>1,267</u>

The financial statements on pages 5 to 8 were approved by the board of directors on 5<sup>th</sup> August 2005 and were signed on its behalf by:



**D Bauernfeind**  
**Director**

## Notes to the financial statements

### 1. Accounting policies

The accounts have been prepared in accordance with the Companies Act 1985 and with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been reviewed by the directors in accordance with Financial Reporting Standard 18, "Accounting Policies", and have been applied consistently, is set out below.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. Written confirmation of the continued support of the company's ultimate parent company, Xchanging B.V. for a period of at least one year from the date of signing of these accounts has been received from the directors of Xchanging B.V.

(a) *Basis of accounting*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) *Fixed asset investments*

In the company's accounts, investments in subsidiary undertakings are stated at cost less any provision for impairment. Only dividends received and receivable are credited to the company's profit and loss account.

(c) *Preparation of group accounts*

In accordance with s228 of the Companies Act 1985, group accounts have not been prepared because the company is itself a wholly-owned subsidiary of another UK company which itself prepares consolidated accounts (see note 9).

(d) *Cash flow statement*

Under the provisions of Financial Reporting Standard No. 1 (Revised) "Cash flow statements", the company has not prepared a cash flow statement because an intermediate parent undertaking, Xchanging Global Insurance Systems Limited, has prepared consolidated accounts for the period which contain a cash flow statement. These accounts are publicly available from the address listed in note 9.

### 2. Profit and loss account

The company has not traded during the year or preceding year and therefore has made neither a profit or a loss nor any other recognised gains or losses in either year.

Directors' costs are borne by other group undertakings in both years. It is not practical to split that remuneration between their services as directors of Xchanging International Limited and other group companies.

The audit fee and fees for other non-audit services provided by the auditors were borne by another group undertaking during the current and prior year.

### 3. Investments

	31 December 2004 £	31 December 2003 £
<i>Investment in subsidiary undertakings:</i>		
Cost		
At 1 January 2004	18,115	16,502
Addition	-	1,613
At 31 December 2004	<u>18,115</u>	<u>18,115</u>



## 3. Investments (continued)

The company has investments in the following subsidiary undertakings:

<i>Principal Incorporation</i>	<i>Country of Company</i>	<i>Percentage of Activity</i>	<i>Equity shares held</i>
Xchanging Asia Pacific Sdn Bhd	Malaysia	Computer services	100%
Xchanging Systems and Services Inc	USA	Computer services	100%
Xchanging Global Insurance Services (Bermuda) Limited	Bermuda	Computer services	100%
Xchanging Holdings (Thailand) Limited	Thailand	Holding company	100%
Xchanging International (Thailand) Limited*	Thailand	Computer services	100%

\* Xchanging International (Thailand) Limited is a 100% owned subsidiary of Xchanging Holdings (Thailand) Limited.

## 4. Creditors: amounts falling due within one year

	31 December 2004 £	31 December 2003 £
Amounts owed to group undertakings	16,848	16,848

Amounts owed to group undertakings are interest free and repayable on demand.

## 5. Called-up share capital

	31 December 2004 £	31 December 2003 £
Authorised, allotted, issued and fully-paid 1,000 ordinary shares of £1 each	1,000	1,000

## 6. Reconciliation of movements in equity shareholders' funds

	Year ended 31 December 2004 £	9 months ended 31 December 2003 £
Result for the period	-	-
Opening equity shareholders' funds	1,267	1,267
Closing equity shareholders' funds	1,267	1,267

**7. Guarantees and other financial commitments****Contingent liabilities**

At 31 December 2004 there were no contingent liabilities.

At 31 December 2003 the company had guaranteed the borrowings of certain other former fellow member companies of the Rebus Group amounting to £4,453,870. In addition to this guarantee, the company and certain other companies within the former Rebus Group had entered into arrangements securing facilities of up to £19,613,634 at 31 December 2003 made available to Suber Acquisition Limited and Rebus HR Group Limited (a wholly owned subsidiary of Suber Acquisition Limited until 23 January 2004).

In January 2004, following the acquisition of the RebusIS Group by the Xchanging Group (see note 9) and the acquisition of the Rebus HR Group by Northgate Information Solutions PLC, the company was released from the above financial commitments.

**8. Related party transactions**

For the year ended 31 December 2004 the company is exempt from the requirements of Financial Reporting Standard No. 8 "Related party transactions" in respect of transactions and balances with other members of the group of companies headed by Xchanging B.V. as this company prepares consolidated accounts which are publicly available from the address in note 9.

For the period ended 31 December 2003 the company is exempt from the requirements of Financial Reporting Standard No. 8 "Related party transactions" in respect of transactions and balances with other members of the group of companies headed by Xchanging Global Insurance Systems Limited, as this company prepared consolidated accounts for that period which are publicly available from the address in note 9.

During the period ended 31 December 2003 there were no transactions or balances as at that date with other members of the group of companies headed by Suber Acquisition Limited, the company's ultimate holding company up to that date.

**9. Ultimate parent company**

At the year end, Xchanging International Limited's immediate parent company was Xchanging Global Insurance Systems Limited, whose principal place of business is 34 Leadenhall Street, London, EC3A 1AX.

At the year end, Xchanging International Limited's ultimate parent undertaking was Xchanging B.V., a company registered in The Netherlands. The registered office is Locatellikade 1, Parnassustoren, 1076 AZ, Amsterdam, Netherlands.

For the year ended 31 December 2004, the smallest and largest group in which the results of Xchanging International Limited are consolidated is that headed by Xchanging B.V. The consolidated accounts of Xchanging B.V. are available from 34 Leadenhall Street, London, EC3A 1AX.

**10. Change of ownership**

Xchanging group acquired control of the group headed by Xchanging Global Insurance Systems Limited, of which the company is a part, on 1 January 2004.