EXHIBIT 16

Autonomy Corporation plc

Report to the Audit Committee on the Q1 2010 Review

20 April 2010

Contents

Introduction

We have pleasure in setting out in this document our report to the Audit Committee of Autonomy Corporation plc and its subsidiaries (together "the Group" or "Autonomy") for the three months ended 31 March 2010 for discussion at the meeting scheduled for 20 April 2010. This report summarises the principal matters that have arisen from our review of the financial information within the interim report for the three months ended 31 March 2010.

This summary is not intended to be exhaustive but highlights the most significant matters to which we would like to bring to your attention. It should, therefore, be read in conjunction with the report and the appendix thereto.

Key findings on key risks	We discuss within Section 1 the results of our work in relation to key risks which have been identified as being significant to the Q1 press release.
Review status	We have substantially completed our review. Certain procedures are outstanding and need to be finalised before we can finalise our review opinion: • Completion of our internal review procedures; • Inventory; and • Final review of press release. We will report to you orally in respect of any modifications to the findings or opinions contained in this report that arise on completion of these matters. On satisfactory completion of the outstanding matters, we anticipate issuing an unmodified review report.
Identified misstatements	For the quarterly financial report our materiality was $5.0 million (Q1 2009 - $3.6 million) and was based on profit before taxation. This is consistent with the basis used to determine materiality for the previous year end audit. Identified uncorrected misstatements reduce profit before tax by $X million and net assets by $Y million (after tax impact $1 million and $2.6 million). Management has concluded that the total impact of the uncorrected misstatements, both individually and in aggregate, is not material in the context of the financial statements taken as a whole. Details of the review adjustments are included in Appendix 1.

Accounting policies and financial reporting	As part of our review, we consider the quality and acceptability of the Group's accounting policies and financial reporting and their consistency with the 2009 annual report. We have nothing to report in these areas.
Accounting and internal control systems	As part of our review we have made enquiries of management regarding the control environment and the reliability of the management reporting process. There were no significant changes since the 2009 year end and therefore we have not carried out any detailed testing of our understanding of internal controls.
Independence	In our professional judgement we are independent within the meaning of APB Ethical Standards for Auditors and the objectivity of the audit engagement partner and audit staff is not impaired.

1. Key risks

The results of our work on key risks are set out below:

Revenue Recognition	

Assumed risk of fraud in relation to revenue recognition

Revenues for the quarter were $194.5 million (Q1 2009 - $129.8 million).

Management continues to apply an approach compliant with International Financial Reporting Standards ("IFRS") to recognising revenues which includes performing credit checks and ensuring that all of the International Accounting Standard 18, *Revenue*, ("IAS 18") criteria have been satisfied.

The most significant revenues recognised in the quarter by customer were with Microtechnologies LLC ($11.0 million), Bank of America ($8.9 million), Filetek Inc ($8.5 million) and Citi ($5.5 million).

Microtechnologies LLC ("Microtech")

The deal to this reseller was an $11.0 million licence deal for the Vatican Library as the end user. This is the first of a series of software deals to this end user as part of a project to archive the entire collection of the library. The software has been sold through Microtech as they will be working directly with another third party with regards to the integration and installation of this software into the wider project and the Vatican Library computer systems. Support and maintenance has been carved out at 5% and deferred which is consistent with the established fair value of software sales of this magnitude.

Management alerted us to the fact that two deals sold to Microtech in Q4 2009 have been credited in this quarter and resold directly to the two end users. This reduced the profit in the period by approximately $4 million. As there is no significant history of deals being reversed in this way, management has recognised the revenue at the point of sale to the reseller. Management has confirmed that these were isolated incidents which are not expected to be repeated in future periods.

Bank of America

This is an $8.9 million licence deal for a Zantaz Digital Safe software licence. This agreement increases the number of licenced users over and above the original agreement which was signed in Q1 2009. Support and maintenance has been carved out at the established fair value of 5%.

Filetek Inc ("Filetek")

This is predominantly an IDOL SPE sale which allows Filetek to extend their software licence to SPE for Apple Mac. Support and maintenance has been carved out at 5%, which is the fair value on such deals.

Citi Group

This is a $5.5 million deal to sell 62 Zantaz Digital Safe smart cell software and one year support and maintenance for this software. Carve out of support and maintenance is at 5%, as described above.

1. Key risks (continued)

Revenue Recognition (continued)	
Deloitte response	Our review of revenue contracts was designed to select large contracts, those containing non-standard terms, as well as a sample of all other contracts. Our review work noted that revenue recognition continues to be consistently applied in comparison with previous periods and in accordance with Group accounting policies and IFRS. For each contract selected, we examined the terms and conditions of the contract to ensure that no unusual circumstances existed which might impact the recognition of revenue. We ensured that amounts recognised could reasonably be expected to be recoverable by inspecting payment history or credit checks where relevant. Furthermore carve out rates for revenues deferred were recalculated to ensure they were in line with Autonomy's standard carve out rates for support and maintenance and support services where relevant. For all deals over $1 million we obtained revenue confirmations direct from the customer. The impact of extended payment terms offered to certain customers was considered but we are satisfied that management is following the requirements of IAS 18 by discounting those amounts receivable to their present value except in one instance. The Group has entered into one significant deal with payment terms greater than one year in the quarter with Capax Global for £4.5 million which we have discounted and included on our schedule of errors of fact which has been included in Appendix 1. As part of our revenue review work, we noted that there were two sales to two Italian resellers made late in the quarter. Based on the limited financial information available, we would propose that these two deals, totalling $2.2 million, should be deferred and recognised once management has more clarity on recoverability. This amount has been included in Appendix 1 as a difference in judgment. With regards to the reversal of revenue on two sales to the reseller Microtech in the quarter, we highlight to the Audit Committee that any further evidence of revenue reversals may jeopardise management's ability to recognise revenue at the point of sale to the reseller.

1. Key risks (continued)

Hardware sales	
Presentation of costs associated with hardware sales	Included in the revenues for the quarter is $12.0 million of hardware sales. The majority of this ($11.6 million) is made up of sales of Dell hardware to Morgan Stanley ($5.3 million), SHI International ($5.0 million) and Fannie Mae ($1.3 million). These are further examples in a number of deals between Autonomy and major international banks or other large blue chip companies in order to become the preferred supplier for all archiving requirements, including both software and hardware. As consistent with the hardware sales reported to the Audit Committee in our Q3 and Q4 2009 reports, these sales have been made at an overall loss. Management has taken all of the costs associated with the Dell and Fannie Mae sales to cost of sales with the exception of $3.8 million which has been allocated to sales and marketing expenses. Management's rationale for entering into these loss making contracts is that Autonomy is seeking to develop a strategic relationship with Dell. The intention is that both Autonomy and Dell will market Dell hardware that incorporates Autonomy search software. Management has accounted for the revenues and costs associated with these deals on a gross basis as it considers Autonomy to be the principal in the arrangement, rather than acting as an agent in which case it would recognise revenues and costs net. This is based on Autonomy being the prime instigator in negotiating the deals, it has negotiated terms and selling price independently of the hardware provided and it bears the full credit risk for the transactions.

Del oitt e res po nse	We noted in our Q3 and Q4 reports, that cost allocation on such sales between cost of goods sold and sales and marketing expense was appropriate provided this reflects the underlying commercial substance of the transaction as there is no specific guidance within IFRS over where the costs should be presented. However, given the period that has elapsed since these initial deals were transacted and the fact that we expected these to be more one-off in nature, we conclude that it would be more appropriate to reflect all of the costs of hardware sold in cost of goods sold. We understand that management has allocated the $3.8 million to sales and marketing based on the previous analysis prepared for the EMC sales in Q3 2009 which demonstrated that Autonomy were purchasing hardware at a price which was considerably higher than they would normally pay in order to gain a strategic partnership and become the preferred hardware reseller with EMC, Dell, SHI and HDS. Based on the limited information available, we have included the $3.8 million as a classification adjustment in Appendix 1.

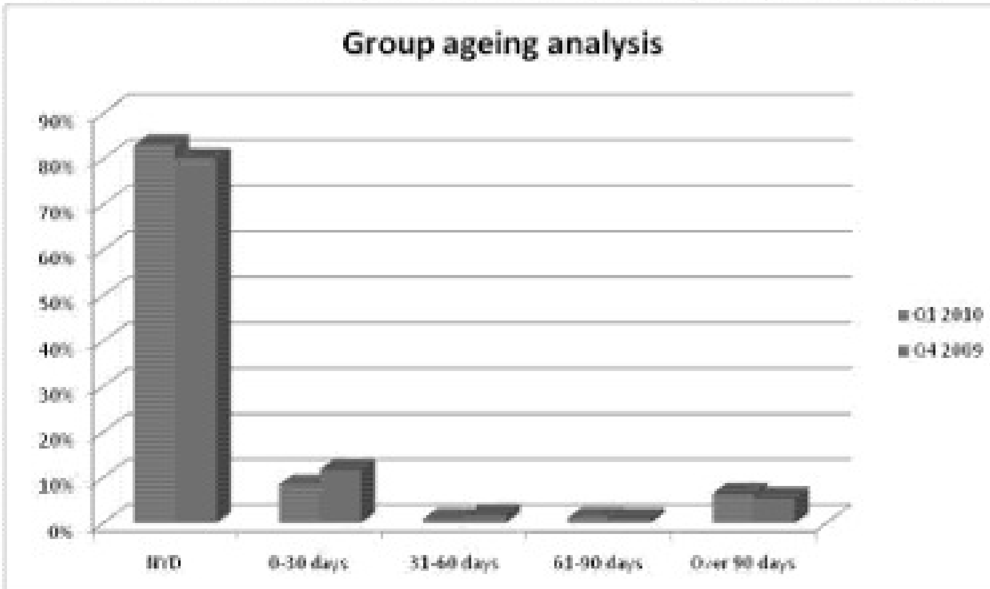
1. Key risks (continued)

Hardware sales	
Presentation of costs associated with hardware sales	Included in the revenues for the quarter is $12.0 million of hardware sales. The majority of this ($11.6 million) is made up of sales of Dell hardware to Morgan Stanley ($5.3 million), SHI International ($5.0 million) and Fannie Mae ($1.3 million). These are further examples in a line of deals between Autonomy and major international banks or other large blue chip companies in order to become the preferred supplier for all archiving requirements, including both software and hardware. As consistent with the hardware sales reported to the Audit Committee in our Q3 and Q4 2009 reports, these sales have been made at an overall loss. Management has taken all of the costs associated with the Dell and Fannie Mae sales to cost of sales with the exception of $3.8 million which has been allocated to sales and marketing expenses. Management's rationale for entering into these loss making contracts is that Autonomy is seeking to develop a strategic relationship with Dell. The intention here is that both Autonomy and Dell will market Dell hardware that incorporates Autonomy search software. Management has accounted for the revenues and costs associated with these deals on a gross basis as it considers Autonomy to be the principal in the arrangement, rather than acting as an agent in which case it would recognise revenues and costs net. This is based due to Autonomy being the prime instigator in negotiating the deals, it has negotiated terms and selling price independently of the hardware provided and it bears the full credit risk for the transactions.

Del oitt e res po nse	We noted in our Q3 and Q4 reports, that cost allocation on such sales between cost of goods sold and sales and marketing expense was appropriate provided this reflects the underlying commercial substance of the transaction as there is no specific guidance within IFRS over where the costs should be presented. However, given the period that has elapsed since these initial deals were transacted and the fact that we expected these to be more one-off in nature, we conclude that it would be more appropriate to reflect all of the costs of hardware sold in cost of goods sold. We understand that management has allocated the $3.8 million to sales and marketing based on the previous analysis prepared for the EMC sales in Q3 2009 which demonstrated that Autonomy were purchasing hardware at a price which was considerably higher than they would normally pay in order to gain a strategic partnership and become the preferred hardware reseller with EMC, Dell, SHI and HDS. Based on the limited information available, we have included the $3.8 million as a classification adjustment in appendix 1 and would not expect to see such amounts in sales and marketing in subsequent quarters.

1. Key risks (continued)

Recoverability of accounts receivable	
Provision over doubtful debts	The net accounts receivable balance at 31 March 2010 is $212.6 million (Q4 2009 - $230.2 million). The actual bad debt expense on the income statement amounted to $2.7 million (Q4 2009 - $0.5 million). The bad debt provision at Q1 2010 is $20.3 million (Q4 2009 - $21.4 million). The majority of the decrease in accounts receivable is attributable to receivables due from Microlink which following acquisition are eliminated on consolidation. Cash collection this quarter has been strong at $192.1 million, which is down from $216.0 million in Q4 2009. As at close of business on 19 April 2010, total cash received since the year end was $14.8 million. DSOs have remained fairly stable since Q4 2009 at 94 days compared to 88 days,



The overdue balances worthy of discussion this quarter have been discussed on page 7.

Deloitte response	We have reviewed customer correspondence and payment histories which support the conclusions reached by management. Where we required further clarification, a debtor confirmation has been received. We have identified some differences in judgement which are discussed in the section below.

1. Key risks (continued)

Recoverability of accounts receivable

Financial exposure in Latin America

The following significant debts due from South American resellers exist at year end:

Telematica Lefic ("Telematica")

This customer has a total debt of $5.1 million with exposure of $0.8 million on amounts over 90 days past due after management provision. No cash has been received from this customer in Q1 2010. Management has not provided for this remaining exposure as it continues to work with the customer to recover the debt and are sending a technical team to move the project forwards.

Integracion de Negocios ("Integracion")

This customer has a total debt of $5.8 million. There is a provision of $0.8 million against this balance which represents management's best estimate of the probability of recovery at this time. A payment of $0.4 million was received from this customer during the quarter. Management has not provided for this remaining exposure as the customer continues to make regular payments.

Allotech de Colombia ("Allotech")

This customer has a total debt of $1.1 million all of which is over 90 days past due. No cash has been received from this customer in Q1 2010. Management has not provided for this balance as it continues to work with the customer to recover the debt.

Deloitte response

Autonomy's exposure regarding such receivables needs to be carefully monitored. It is clear that management needs to remain vigilant to these risks and apply a cautious approach to recognising revenues and credit risk from business in this area. We have proposed adjustments in respect of the following receivables:

Telematica

We have seen evidence of correspondence with the customer demonstrating that Autonomy is working to assist them with a technical issue. We concur that the provision represents management's best estimate of probability of recovery at this stage.

Integracion

We accept that cash is being received slowly from this customer and agree that the provision in place respresents management's best estimate of the probability of recovery at this stage.

Allotech

We have proposed an adjustment to provide for this debt in full as we have seen no evidence to confirm recoverability. This is included in ouir appendix 1.

1. Key risks (continued)

Microlink LLC acquisition	
	On 4 January 2010, Autonomy acquired 100% of the partnership units of Microlink LLC, a long term reseller of Autonomy product into the US Federal Government. The initial purchase consideration was $55.0 million with deferred consideration of $1.9 million paid before the end of quarter. The fair value of the trade and assets purchased totalled $2.0 million. The acquisition has been accounted for in accordance with International Financial Reporting Standard 3 (revised 2008) *Business Combinations* ("IFRS 3"). As part of the fair value adjustments, separately identifiable intangibles of $6.7 million were recognised. This intangible asset represents software originally purchased from Autonomy. IFRS 3 requires that such a right granted by Autonomy should be fair valued and this is the value that is left on the licence after amortisation, which represents a reasonable value to an independent third party. In addition, software sold by Autonomy to Microlink where no on-sell had been made at the date of acquisition has been written off as a fair value adjustment because the software licences granted were specific to the end user which, following the acquisition by Autonomy, are unlikely to be transacted. After taking account of the fair value of the net assets acquired and the intangible asset, the residual goodwill balance is $55.2 million. This has been capitalised on the balance sheet on a provisional basis until a full fair value analysis can be performed which is expected to be completed later in 2010.
Deloitte response	We have reviewed the provisional acquisition accounting prepared by management. We note that no additional intangible assets have been recognised at this stafe but expect a formal valuation of intangibles to take place during the course of 2010.

1. Key risks (continued)

Convertible Bonds	[redacted]

Accounting treatment for convertible bonds	On 4 March 2010, the Group issued a convertible bond in order to raise £496.9 million of cash (less issue costs of £7 million). As required by International Accounting Standard 32 *Financial Instruments: Disclosure and Presentation* ("IAS 32"), the convertible bond has been treated as a compound financial instrument and has therefore been split into liability and equity components. As per IAS 32 the fair value of the liability component on intial reconition is the present value of the contractual stream of future cash flows discounted at the market rate of interest. The rate of interest used should be that which would have been applied to an instrument of comparable credit quality with substantially the same cash flows on the same terms, but without the conversion option. The residual balance after the fair value of the liability component is classified as equity. The discount rate used by management was 6% per annum which is the coupon rate applied to recent bond issues with similar features and similar risk profile. Expenses incurred associated with the issue of the instrument have been split in proportion to the gross split of liability and equity and netted off each component. Over the term of the convertible bond a finance charge is being recognised in the income statement and credited to the financial liabiltity on the balance sheet such that at the end of the term the liability is equal to the par redemption value at the outset. This charge is effectively amortising the equity component through the income statement and is recognised on a straight line basis over the term of the bond. Coupon interest is recognised in the income statement as incurred. The above accounting treatment has resulted in a financial liability of $644.8 million and equity component of $97.8 million in the Group accounts at the end of Q1 2010. The equity element will not be revalued, whereas the debt element will be translated in to US Dollars at each quarter end. Diluted earnings per share has been calculated as though all bond holders have exercised all rights to convert to ordinary shares on the date of issue of the bond. An adjustment has been made to earnings for the post tax amount recognised in the income statement for finance costs related to the potential ordinary shares. Management do not consider that the bond will be redeemed ahead of the scheduled redemption date.
Deloitte response	We have reviewed the accounting to record the convertible bond and subsequent movements and confirmed that this agrees to the terms of the final offering circular.

1. Key risks (continued)

We identified the following other items as key risks during the Q1 2010 review. The comments below demonstrate our review approach over these key areas which we are required to be communicated to the Audit Committee, however, there are no significant additional matters which we wish to highlight at this stage.

Key risk	Deloitte response
Capitalisation of research and development costs	During the quarter a total of $6.6 million of software development costs have been capitalised (Q1 2009: $11.7 million). The amortisation charged for the quarter amounted to $3.5 million (Q1 2009 - $3.2 million). We have reviewed a sample of these costs and have verified that the criteria of IAS 38 have been satisfied.

Accounting for share options

Autonomy share options (and legacy Interwoven, Zantaz and Verity share options) have graded vesting terms. These are typically a vesting cliff of 6 months, after which options vest over 36 months, vesting on a quarterly basis. The impact of this pattern of vesting is that the IFRS 2 charge should be higher during the early quarters of a share option scheme's life and decrease as tranches of options vest on a quarterly basis. Historically Autonomy has treated the share options as cliff vesting on the final date of the scheme and the charge is recognised evenly over the vesting period. During the prior year management has recalculated the historic charge based on the graded vesting model which has indicated that a credit to the income statement of $1.5 million is required (with a corresponding entry to debit the stock compensation reserve). In Q1 2010, the Group has recorded a charge to the income statement based upon the updated vesting model, but has not recorded the cumulative credit as at 31 December 2009 in the income statement. We have reviewed the charge for the period. We have proposed this as an adjustment in Appendix 1.

Support and maintenance carve out rates

IAS 18 requires that the fair value of support and maintenance revenue is recognised over the period over which the support and maintenance services are provided. As many of Autonomy's sales include both licence and support and maintenance, it is necessary to assess the fair value of the support and maintenance in order that the correct amount is deferred at the recognition date of the licence revenue. There is an element of judgement involved over the percentage used.

Management performed a review of carve out rates and renewal rates during 2009 to support the revenue recognition policy as part of the 2009 year end procedures. There have been no product recalls, litigations or warranty claims that might indicate that the level of carved out maintenance was inappropriate. Carve out rates remain stable which is a result of stability of the IDOL architecture which is pervasive in all products.

We have tested the rates carved out for support and maintenance to ensure that the rates used on Q1 2010 licence sales are at the higher of the established fair value or the rate contracted in the signed agreement.

We concur with the accounting treatment adopted by management and have not noted any deviations.

Key financial ratios reported in the financial statements	Management's calculations have been reviewed in detail to ensure that they have been calculated accurately and on a consistent basis.

1. Key risks (continued)

Taxation

James Ferguson has acted as tax audit partner. James is independent of any tax related non-audited services provided and will be subject to rotation as a key audit partner in accordance with APB Revised Ethical Standards for Auditors.

We have reviewed the tax workings and discussed key matters with management regarding the tax position of the key entities and major transactions in the year.

The Income Statement taxation charge for the period is $19.1 million which corresponds to a full year effective rate of 27.74% (year ended 31 December 2009 - 28.02%). The change in the effective tax rate is primarily driven by the following factors:

- The full year benefit from the US financing structure (which results in an additional US tax deduction) in 2010, compared to only six months benefit in 2009– a 0.1% reduction between Q4 and Q1;
- Recognition of additional benefit of increasing the debt in the US financing structure, resulting in a further US tax deduction - a 0.3% reduction between Q4 2009 and Q1 2010;
- An increase in the benefit of R&D tax credits in the UK - a 0.1% reduction between Q4 2009 and Q1 2010;
- The 2009 ETR included the effects of a one-off recognition of deferred tax assets on US temporary differences and a prior year adjustment in relation to the US tax creditor. These adjustments are not repeated in 2010 - a 2.4% increase between Q4 2009 and Q1 2010; and
- Following further work by PwC since Q4 2009, the study summarising the availability of US tax losses (the "382 study") is nearing completion and therefore management have chosen to recognise additional losses in this quarter in relation to Virage and will be communicating to the market that they can expect their tax rate for the full year to trend towards 24% based on the expectation of the final PwC report during Q2 2010 - a 1.1% reduction between Q4 2009 and Q1 2010.

These key factors are discussed in more detail below.

The deferred tax asset expected to be recognised in the balance sheet is $20.2 million ($24.0 million at full year 2009). This relates primarily to stock option losses which can be offset against future profits and other temporary differences.

The net deferred tax liability expected to be recognised in the balance sheet is $85.9 million. This relates primarily to the US purchased intangibles, offset by US tax losses that can be recognised against future profits streams, including the losses recognised this quarter in respect of Virage.

1. Key risks (continued)

Key audit risk	
Transfer pricing	As reported to the audit committee at Q4 2009, whilst the risk of any transfer pricing adjustment has been reduced through the work management have undertaken, there is still a significant risk of a transfer pricing enquiry in the US and as previously communicated to the audit committee the documentation to support the US position is not adequate. With the increased profitability of the US group and the movement of taxable profits out of the US through transfer pricing (e.g. full year estimate of $200 million of profits being transferred from the US to the UK), it is only a matter of time before the IRS enquire. This has become more sensitive following the recent press announcement of a software sales agreement by Microlink recently concluded with the IRS. It is our expectation that the IRS will only want to transact with companies that are fully tax compliant and therefore this transaction will further raise Autonomy's profile with the IRS. We have discussed this with management who understand the risks involved and recognise that this issue needs to be addressed during Q2 2010 . We strongly recommended that management set out an action plan on how this issue will be addressed during Q2 before the IRS have chance to enquire. We expect this to include the hiring of additional resource and a clear timetable to produce detailed transfer pricing documentation suitable for IRS scrutiny.
US tax losses	Further to continued work by PwC on the US tax losses, management have chosen to recognise a further $17.6 million of losses relating to Virage based on PwC signing off on the 382 loss restrictions in relation to this entity. There are further potential losses of $41.3 million relating to Verity and Zantaz. We strongly recommend that management ensure that PwC do complete their work during Q2 2010.
US Financing structure	During 2009, management engaged Ernst & Young ("E&Y") to advise and implement a US financing structure which seeks to obtain both a cash tax and accounting benefit, such that interest paid on debt between the US and the UK is tax deductible in the US and there is no corresponding interest taxed in the UK. The gross benefit included in the estimate of the full year ETR is $12.4 million which includes an additional benefit of $3.2 million relating to additional debt that is being introduced to the structure.

2. Other matters

Inspection by the Audit Inspection Unit ("AIU")

The Professional Oversight Board ("POB") is the operating body of the Financial Reporting Council, the UK's independent regulator for corporate reporting and governance, and provides statutory oversight of the regulation of the auditing profession. Through the AIU, it monitors the quality of the audits of listed and other major public interest entities.

Following a consultation in 2007, POB has adopted revised arrangements under which the AIU will be reporting on audit quality monitoring. These have implications for firms and their listed and other major public interest audit clients as follows:

- instead of POB publishing an annual report summarising the principal findings arising from its inspections at the major firms, from the autumn of 2008, the AIU will publish a separate report on each major firm, including Deloitte;
- in addition, from April 2008, the AIU will report on a formal basis to the relevant audit engagement partner on their review of the quality of individual audit engagements. Such reports will be provided on a confidential basis and may not be disclosed to any third party outside the firm, other than the directors of the audit client concerned, without the prior written consent of the AIU. If either the report or the information contained within it is disclosed to the directors of the audit client, they will, in most cases, also be under a statutory obligation under section 1224A of the Companies Act 2006 to keep the report and the information provided in it confidential; and
- as a consequence, POB has lifted the restriction that prevented firms from disclosing the fact that an audit had been reviewed by the AIU or from discussing the results of that review. We are now therefore free to discuss such matters with you.

The AIU reviewed the audit files of Autonomy Corporation plc for the year ended 31 December 2008. The purpose of an AIU review is to assess the quality of an individual audit engagement and to identify areas, if any, in which improvements need to be made. The AIU noted that such "reports are not intended to be balanced scorecards or rating tools but to focus on those areas where improvement is required either to enhance the quality of audits or to achieve compliance with auditing standards".

The AIU raised certain matters with us which have been communicated to management. We have incorporated these recommendations into our 2009 audit files.

In the event that the audit files are selected for a further review, we will advise you of the fact, and, having obtained appropriate confidentiality undertakings from you, provide you with a copy of the AIU's report. We will also provide you with a copy of the public report on Deloitte when it is issued later in the year.

3. Responsibility statement

While our report includes suggestions for improving accounting procedures, internal controls and other aspects of your business arising out of our procedures, we emphasise that our work was performed with regard to our responsibilities under ISRE (UK & Ireland) 2410 'Review of interim financial information'. We make these suggestions in the context of our review but they do not in any way modify our opinion which relates to the financial information included in the half-yearly financial report as a whole. Equally, we would need to perform a more extensive study if you wanted us to carry out a comprehensive review for weaknesses in existing systems and present detailed recommendations to improve them.

This report has been prepared for the Board of Directors in that capacity and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent.

Deloitte LLP
Chartered Accountants
Cambridge
19 April 2010

Appendix 1: Adjustments

Uncorrected misstatements

The following uncorrected misstatements were identified during the course of our review:

		Credit/(charge) to current year income statement $'m	Increase/(decrease) in net assets $'m	Increase/(decrease) in prior year retained earnings $'m	Increase/(decrease) in turnover $'m

Factual misstatements				
Discounting of Capax Global deal with extended payment terms	(0.3)	(0.3)	-	(0.3)
IFRS 2 charge correction for revised model	1.5	-	-	-
IFRS 2 charge correction for use of incorrect rate	(0.4)	-	-	-
Judgemental misstatements				
Reversal of revenue on Italian resellers Auxilium and Compter Trading S.r.l	(2.2)	(2.2)		(2.2)
Provision against Sales Consulting S.r.l	(2.2)	(2.2)		-
Provision against Allotech de Columbia debtor	(1.1)	(1.1)	-	-
Effect of taxation	1.3	1.6		

Total	o/s	o/s	-	(2.5)

We identified a presentational adjustment on the face of the income statement in relation to cost of goods sold of $3.8 million.

We will obtain written representations from the Board of Directors confirming that after considering all these uncorrected items, both individually and in aggregate, in the context of the consolidated financial statements taken as a whole, no adjustments are required.