VOCALINK

Voca Limited
Annual Report 2007

For the 13 months ended 31 December 2007

Registered No. 1023742

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Directors and advisers

Directors

M R King

R H Parker

M Wilson

Auditors

KPMG LLP

Registered office

Drake House, Three Rivers Court
Homestead Road, Rickmansworth
WD3 1FX

Directors' report

The directors present the annual report and the audited financial statements for the 13 months ended 31 December 2007 The company changed the year end during the year from 30 November to 31 December as part of the merger of Voca Limited and Link Interchange Network Limited The comparative figures represent the results of the Company for the year ended 30 November 2006

Business review

Direct debit and direct credit services are provided to UK banks through a contract with Bacs Payment Schemes Limited (BPSL) This is under a seven year contract which runs until 2010 Voca Limited is the largest processor of automated payments in Europe and accounted for approximately 15 percent of all European bank-to-bank payments, processing more than 5 5 billion payment items during the year, representing an increase of 3 4 percent on 2006

On 28 January 2008 VocaLink's processing service for SEPA (Single Euro Payments Area) went live with seventeen banks across Europe Built in response to the changes imposed on European payments by the European Commission, the VocaLink €CSM (Euro Clearing and Settlement Mechanism) enables banks to send and receive euro payments to any other bank within the Eurozone A range of value added services is being developed for the €CSM that will enable banks to offer their customers new ways to pay and be paid

At 1 January 2008, the Voca Limited business activity was transferred to Vocalink Limited as part of the restructuring of the Vocalink Group created as part of the merger of Voca Group and Link Interchange Network Group The company ceased to trade as of 1st January 2008

After year end the loan in Voca Limited has been restructured with the group bankers to reflect the profile of the underlying investment within the Vocalink Group

Financial review

The results of the Company for the year are set out on page 9 and show a loss after taxation of £7,654K (2006 profit of £2,236K)

Dividend

The Directors have not declared a dividend in the period (2006 £Nil)

Charitable contributions

The consolidated amount given for charitable purposes by the company totalled £13,289 No contributions to political parties were made

Directors

The names of the current directors of the company are shown on page 3 During the year the following changes occurred

M King

R Parker

S Grigg (Resigned 30/04/2008)

M Wilson (Appointed 05/02/2007)

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Non Executive directors all resigned as part of the group reorganisation New non Executive directors have been appointed to Vocalink Holdings Limited, the ultimate parent company The movement in details are

S Eacott (resigned 29/06/2007)

M Russell-Brown (resigned 29/06/07)

B Johnston (resigned 29/06/2007)

R Pattison (resigned 29/06/2007)

D Sanders (resigned 29/06/2007)

R Saunders (resigned 29/06/2007)

T Broome (resigned 29/06/2007)

Directors' interests in shares of the Company

The directors did not have any interest in the shares of the company or in the ultimate parent company during the year

Directors' disclosure of relevant information to auditors

In the case of each person who was a director of the company at the time when the directors' report was approved, the following applied

a) Each director confirmed that as far as he or she was aware individually, there was no relevant audit information of which the company's auditors were unaware, and

b) Each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors were aware of that information

Auditors

KPMG LLP have indicated their willingness to continue in office as auditors and a resolution for their re-appointment will be proposed at the forthcoming annual general meeting

By order of the Board

15th September 2006

T Ensor-Clinch
Company Secretary

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Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law they have elected to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The company financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 that disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 1985 They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities

By order of the Board

T Ensor-Clinch
Company Secretary

15th September 2006

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Independent auditors' report to the members of Voca Limited

We have audited the company financial statements (the "financial statements") of Voca Limited for the 13 months ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 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 auditor's 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities on page 6

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

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 whether in our opinion the information given in the Directors' report is consistent with the financial statements

In addition we report to you if, in our opinion, 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 group's and 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

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Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of the company's loss for the 13 month period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' report is consistent with the financial statements

KPMG LLP

KPMG LLP
Chartered Accountants 1 Canada Square, London
Registered Auditor
15 September 2008

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Profit and loss account

For the 13 month period ended 31 December 2007

	Notes	Before exceptional items 13 months period ended 31 December 2007 £000	Exceptional items 13 months period ended 31 December 2007 £000	After exceptional items 13 months period ended 31 December 2007 £000	Year ended 30 November 2006 £000
Turnover	2	103,123		103,123	88,853
Administrative Expenses	3,4,5,6	(105,864)	(2,269)	(108,133)	(80,927)
Operating (loss) / profit		(2,741)	(2,269)	(5,010)	7,926
Merger Costs	5	-	(1,293)	(1,293)	-
(Loss) /profit on ordinary activities before Interest		(2,741)	(3,562)	(6,303)	7,926
Interest receivables and similar income				1,723	316
Interest payables and similar charges	7			(5,847)	(5,069)
(Loss) / profit on ordinary activities before taxation				(10,427)	3,173
Tax on (loss) / profit on ordinary activities	8			2,773	(937)
(Loss) / profit for the financial year on ordinary activities after taxation				(7,654)	2,236

All activities derive from continuing operations

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Balance sheet

As at 31 December 2007

	Notes		31 December 2007 £000		30 November 2006 £000
Fixed assets					
Intangible assets	9	73,863		81,155	
Tangible assets	10	19,514		19,293	
Investments in joint ventures	11	476		476	
			93,853		100,924
Current assets					
Debtors	12	15,884		10,982	
Cash at bank and in hand		24,095		10,624	
		39,979		21,606	
Creditors					
Amounts falling due within one year	13	(63,817)		(41,214)	
Net current liabilities			(23,838)		(19,608)
Total assets less current liabilities			70,015		81,316
Creditors					
Amounts falling due after more than one year	14		(22,135)		(42,227)
Provision for liabilities and charges	15		(2,122)		(2,809)
Total net assets excluding pension liability			45,758		36,280
Pension liability	3b		(26,764)		(36,296)
Total net assets including pension liability			18,994		(16)
Capital and reserves					
Called up share capital	18		6,910		5,718
Share premium account	18		30,329		13,521
Profit and loss account	19		(18,245)		(19,255)
Shareholder's funds			18,994		(16)

These financial statements were approved by the board of directors on 15 September 2008 and were signed on its behalf by

R Parker
Chief financial officer

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Statement of total recognised gains and losses

	Notes	2007 £000	2006 £000
(Loss) / profit for the financial year		(7,654)	2,236
Actuarial gain / (loss) recognised in the pension scheme	3b	13,473	(5,077)
Deferred tax relating to actuarial (gain) / loss		(4,809)	1,513
Total recognised gains / (losses)		1,010	(1,328)

Reconciliation of movements in shareholder's funds

	2007 £000	2006 £000
(Loss) / profit for the year	(7,654)	2,236
Issue of share capital	18,000	13,918
Actuarial gain / (loss) net of tax recognised in the pension scheme	8,664	(3,564)
Net increase in shareholder's funds for the year	19,010	12,590
Opening shareholder's funds	(16)	(12,605)
Shareholder's funds at end of year	18,994	(16)

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Notes to the financial statements

1 Principal accounting policies

Basis of Preparation

Due to the merger of Voca Limited and Link Interchange Network Limited during the period and VocaLink Holding Limited becoming the ultimate parent of the company, there are no requirement to prepare Group accounts at sub group level and the attached accounts has now been prepared for the company only

The impact of this is that there will be no group information in this annual accounts and that the company's Profit & Loss Accounts including related notes are not comparable to previously submitted information

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards A summary of the more important Company accounting policies is set out below

Income Recognition

Charges for the company's automated money transmission and connectivity services are recognised in the month of processing

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

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 to the extent that, 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 the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Dividends

Dividends payable are accounted for in the accounting period in which they are proposed and declared

Dividends payable are treated as a charge on reserves and accounted for through the reconciliation of movements in shareholders' funds rather than in the profit and loss account as previously

Intangible Assets - Development Expenditure

All systems and programming development expenditure has been written off when incurred except where such costs have met the criteria stipulated under Statement of Accounting Practice 13 'Accounting for research and development' In these instances such expenditure is capitalised as an intangible fixed

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asset and amortised over the shorter of its estimated useful life and the contract period, commencing in the year in which the development becomes functional

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, other than assets under construction and freehold land, at rates calculated to write off the cost, less estimated residual value, on a straight-line basis, over the estimated useful economic lives of the assets as set out below

Freehold buildings – 50 years

Leasehold land and buildings - Over the remaining period of the lease

Plant and equipment - 4 to 20 years

Computers and ancillary equipment - 2 to 6 years

Fixtures and fittings - 3 to 10 years

Motor vehicles – 4 years

Leased Assets - The shorter of the term of the lease and the useful economic life of the asset

Certain items of ancillary equipment are conterminously depreciated over the estimated useful economic life of the primary equipment

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value

Leases

Assets held under finance leases are capitalised at their fair value on the inception of the lease and depreciated over the shorter of the period of the lease and the estimated useful economic lives of the assets The finance charges are allocated over the period of the lease in proportion to the capital amount outstanding using the actuarial method and are charged to the profit and loss account

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the period of the lease

Cash flow

As a wholly owned subsidiary of the VocaLink Holdings Limited group, the company has taken advantage of the exemption provided by Financial Reporting Standard 1 'Cash Flow Statements' paragraph 5(a), which states that 'subsidiary undertakings where 90 per cent or more of the voting rights are controlled within the group, provided that consolidated financial statements in which the subsidiary undertakings are included are publicly available are exempt from preparing a cash flow statement

Pension Commitments

Defined benefit Scheme

The Company operates a defined benefit Scheme which was closed to new members in October 2004 The Scheme is financed through a separate fund managed by Company and employee nominated Trustees Contributions to the Scheme are calculated by the Scheme's actuary on a basis agreed between the Company and the Trustees

Pension Scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities The increase in the present value of the liabilities of the Company's defined benefit pension Scheme expected to arise from employee service in the period is charged to operating profit

The expected return on the Scheme's assets and the increase during the year in the present value of the Scheme's liabilities arising from the passage of time are included in the other finance income Actuarial gains and losses are recognised in the statement of Company Total Recognised Gains and Losses

Defined contribution schemes

The company also operates a defined contribution pension scheme for its staff as a company personal pension plan Contributions are charged to the profit and loss account as they fall due

Financial Instruments – Derivative Instruments

Derivative instruments are used by the Company for other than trading purposes to manage the risk profile of an existing underlying exposure Interest rate swaps are used to manage interest rate exposures and amounts payable are recognised in interest expense on an accrual basis based on the terms of the agreement and the prevailing rate of interest at that time

Financial Instruments – Equity

Financial instruments issued by the Company are treated as equity (i e forming part of shareholders' funds) only to the extent that they meet the following two conditions

- They include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company
- Where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds

2 Turnover

Turnover originates within the United Kingdom and consists of the charges for the company's automated money transmission services and the provision of secure connectivity, managed services, information, management and other professional services

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3 Information regarding employees and directors

a) Employee costs (including executive directors)

		13 months ended December 2007 £000	12 months ended November 2006 £000
Wages and salaries		27,359	22,449
Social security		3,038	2,319
Pension costs	Defined Benefit scheme	3,106	3,659
	Defined Contribution scheme	356	154
Home loan support		16	12
		33,875	28,593
Reorganisation costs and associated pension benefits		888	915
Total employee costs		34,763	29,508

Number of persons employed (including part-time staff)

	2007 No	2006 No
Average staff throughout the year	423	399

b) Pension disclosures

The company operates one defined benefit scheme in the UK A full actuarial valuation was carried out as at 5 April 2006 and updated to 31 December 2007 by a qualified independent actuary The contributions made to the scheme in the accounting period were £5,785,000 of which £605,000 were paid in respect from salary sacrifice arrangement Future contributions are agreed to continue at 1/12 x 19 5 per cent of basic salaries plus £340,427 until 31 October 2008 increasing to new £462,000 from 1 November 2008 The scheme closed to new members in October 2004 As the scheme is closed to new members, under the projected unit method, the current service cost will increase as a percentage of salary as the members of the scheme approach retirement

The major assumptions used by the actuary were (in nominal terms)

	13 months ended December 2007	12 months ended November 2006	12 months ended November 2005
Rate of increase in salaries (plus a promotional scale)	3 90%	3 50%	3 55%
Rate of increase in pensions in payment	3 25%	2 85%	2 90%
Discount rate	5 85%	5 10%	5 10%
Inflation assumption	3 25%	2 85%	2 90%

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The assets in the scheme and the expected rate of return were

	Long-term rate of return expected at 2007	Value 2007 £000	Long-term rate of return expected at 2006	Value 2006 £000	Long-term rate of return expected at 2005	Value 2005 £000
Equities	7 90%	44,720	7 60%	41,348	7 70%	46,674
Government bonds	4 40%	23,172	4 10%	22,920	4 20%	14,890
Corporate bonds	5 85%	18,221	5 10%	16,164	5 10%	20,668
Global bonds	7 90%	10,778	7 60%	10,125	-	-
Cash	5 50%	1,028	5 00%	575	4 50%	894
Insured pensioners	5 85%	5,060	5 10%	5,789	5 10%	5,494
Absolute return funds	7 40%	8,907	7 10%	7,699	7 20%	7,087

	2007	2006	2005
Total market value of assets	111,886	104,620	95,707
Present value of scheme liabilities	(149,057)	(156,471)	(141,112)
Deficit in the scheme	(37,171)	(51,851)	(45,405)
Related deferred tax asset	10,407	15,555	13,621
Net pension deficit	(26,764)	(36,296)	(31,784)

Analysis of the amount charged to operating profit

	13 Months ended December 2007 £000	12 Months ended November 2006 £000
Current service cost	2,954	2,944
Past service cost	163	715
Total operating charge	3,117	3,659

Analysis of the amount credited to other finance income

	13 Months ended December 2007 £000	12 Months ended November 2006 £000
Expected return on pension scheme assets	7,167	5,944
Interest on pension scheme liabilities	(8,629)	(7,211)
Net return	(1,462)	(1,267)

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Analysis of amount recognised in statement of total recognised gains and losses

	13 Months ended December 2007 £000	12 Months ended November 2006 £000
Actual return less expected return	(1,507)	2,009
Experience gains and losses arising on the scheme liabilities	-	1,227
Changes in assumptions underlying the present value of the liabilities	14,980	(8,313)
Actuarial losses	13,473	(5,077)

Movement in deficit during the year

	13 Months ended December 2007 £000	12 Months ended November 2006 £000
Deficit in scheme at beginning of year	(51,851)	(45,405)
Movement in year		
Current service cost	(2,954)	(2,944)
Contributions	5,786	3,557
Past service costs	(163)	(715)
Other finance income	(1,462)	(1,267)
Actuarial gain / (loss)	13,473	(5,077)
Deficit in scheme at end of year	(37,171)	(51,851)

History of experience gains and losses

	2007	2006	2005	2004	2003
Difference between the expected and actual return on scheme assets					
amount (£000)	(1,507)	2,009	7,852	1,860	(1,372)
percentage of scheme assets	1%	2%	9%	2%	(2%)
Experience gains and losses on scheme liabilities					
amount (£000)	-	1,227	-	-	(428)
percentage of the present value of the scheme liabilities	0%	1%	0%	0%	0%
Total amount recognised in statement of total recognised gains and losses					
amount (£000)	13,473	(5,077)	(4,740)	(5,587)	(11,528)
percentage of the present value of the scheme liabilities	9%	(3%)	(3%)	(5%)	(11%)

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c) Directors' remuneration and transactions

	13 Months ended December 2007 £000	12 Months ended November 2006 £000
Emoluments	1,783	955
Company contribution to Defined Benefit Pension Scheme	122	109
Total	1,905	1,064

Total emoluments and contribution to the defined benefit pension scheme as at 31 December 2007 of the highest paid director were £733K (2006 £441K) and £43K (2006 £36K) respectively

4 Operating profit

Operating profit from continuing operations is stated after charging	13 months ended December 2007 £000	12 months ended November 2006 £000
Depreciation		
Charge for year		
On owned assets	4,589	4,845
On leased assets	1,657	1,415
Research & development		
Amortisation of deferred development costs	16,618	17,755
Current year development costs	5,331	-
Rental of premises	1,610	1,418
	29,805	25,433

5 Exceptional items

Included within administrative expenses is £1,456K being the costs of integrating and reorganising Voca Limited and LINK Interchange Network Limited during and after the merger

6 Auditors' remuneration

The aggregate remuneration of KPMG LLP and its associates for audit and other services (excluding value added taxes) is analysed below

	Audit and audit-related services £000	Non-audit services £000	2007 Total £000	Audit and audit-related services £000	Non-audit services £000	2006 Total £000
Statutory audit of the company 2007 and consolidation for 2006	10	-	10	-	-	-
Fees payable for other services						
Tax services	-	81	81	-	21	21
Services related to information technology	-	118	118	-	-	-
Other services	-	599	599	-	61	61
Total other services	-	798	798	83	82	82
Total	10	798	808	83	82	165

The auditors' remuneration of £10,000 for auditing of Voca Limited was borne by the parent company, Vocalink Holdings Limited

7 Interest payable and similar charges

	13 months ended 31 December 2007 £000	12 months ended 30 November 2006 £000
Interest payable on overdrafts and bank loans	4,216	3,715
Interest on finance leases	169	87
Expected return on pension scheme assets	(7,167)	(5,944)
Interest on pension scheme liability	8,629	7,211
	5,847	5,069

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8 Tax on (loss) / profit on ordinary activities

The taxation charge on the profit for the year comprises	13 months ended 31 December 2007 £000	12 months ended 30 November 2006 £000
Corporation tax at 30% (2006 30%)		
Current year	(410)	327
Prior Year	(93)	-
	(503)	327
Deferred taxation		
Origination and reversal of timing differences	2,636	(1,139)
Adjustment in respect of prior years	(103)	296
Pension related	743	(421)
Taxation charge	2,773	(937)

The actual tax charge for the current and previous year varies from the standard rate of 30 per cent for the reasons set out in the following reconciliation

	13 months ended 31 December 2007 £000	12 months ended 30 November 2006 £000
Profit on ordinary activities before tax	(10,427)	3,173
Tax at 30% thereon	3,128	(952)
Effect of		
Expenses not deductible for tax purposes	(691)	(238)
Capital allowances in excess of depreciation	93	49
Utilisation of tax losses	(4,066)	1,549
Movement in short-term timing differences	432	125
Pension charge in excess of contribution	362	(206)
Change in tax rate	239	-
Current tax charge	(503)	327

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9 Intangible fixed assets

Development Costs	13 months ended 31 December 2007 £000	12 months ended 30 November 2006 £000
Cost		
01 December 2006	121,433	95,222
Incurred during the year	14,658	26,211
31 December 2007	136,091	121,433
Amortisation		
01 December 2006	(40,278)	(22,523)
Amortised in the year	(21,950)	(17,755)
31 December 2007	(62,228)	(40,278)
Net book value	73,863	81,155

Development expenditure includes the cost of developing the Voca payment platform (amortised over the contract period to November 2010), Faster Payments (launching in 2008) and the Voca Euro CSM (launching in 2008)

10 Tangible fixed assets

	Total £000	Leasehold land & buildings £000	Plant & equipment £000	Computers & ancillary equipment £000	Fixtures & fittings £000
Cost					
01 December 2006	61,315	15,827	11,230	33,109	1,149
Additions	6,492	-	329	6,084	79
Disposals	(1,349)	-	-	(1,347)	(2)
31 December 2007	66,458	15,827	11,559	37,846	1,226
Depreciation					
01 December 2006	42,022	5,207	9,379	26,723	713
Charge for year	6,246	1,367	405	4,258	216
Eliminated on disposals	(1,324)	-	-	(1,322)	(2)
31 December 2007	46,944	6,574	9,784	29,659	927
Net book value – 31 December 2007	19,514	9,253	1,775	8,187	299
Net book value – 30 November 2006	19,293	10,620	1,851	6,386	436

Included in computers and ancillary equipment is computer equipment held under finance leases with a net book value of £776,053 at 30 November 2006 (2006 £2,433,000)

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11 Fixed Asset Investments

	31 December 2007 £000	30 November 2006 £000
At 31 December 2007	476	476

Principle investments are as follows	Proportion of equity share capital held	
Subsidiary		
Voca Holdings Limited	100%	100%
Joint Ventures		
OneVu Limited	47%	47%
Digital Payment Limited	0%	40%
Payzy Services Limited (Dormant)	50%	50%
Immediate Payment Limited	50%	50%

All subsidiary and joint venture companies are incorporated in the United Kingdom which is their principal country of operation The principal activity is the provision of payment services

Digital Payment Limited was sold during the year for a nominal value

12 Debtors

	31 December 2007 £000	30 November 2006 £000
Trade debtors	10,412	2,399
Other debtors	454	28
Amounts due from Group companies and related parties	362	6,752
Amounts due from Joint Ventures	1,247	451
Prepayments	1,827	1,190
Accrued Income	1,582	162
	15,884	10,982

13 Creditors: amounts falling due within one year

	Notes	31 December 2007 £000	30 November 2006 £000
Trade creditors		4,633	3,200
Amounts due to group undertakings		1,224	1,067
Finance leases	16	177	2,059
Corporation tax		(414)	95
Other taxation and social security		751	904
Accruals		16,429	13349
Other creditors		7	3
Deferred income		1,010	537
Bank loans	16	40,000	20,000
		63,817	41,214

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14 Creditors: amounts falling due after more than one year

	Notes	31 December 2007 £000	30 November 2006 £000
Bank loans	16	22,000	42,000
Finance leases	16	135	227
		22,135	42,227

15 Provision for liabilities and charges

	Deferred Taxation £000	Reorganisation Provision £000	Total £000
At 01 December 2006	2,809	-	2,809
Profit and loss account			
Current year	(2,636)	1,949	(687)
Released during the year			
At 31 December 2007	173	1,949	2,122

	31 December 2007 £000	30 November 2006 £000
Accelerated tax allowances on plant and machinery	3,399	8,255
Short term timing differences	(239)	
Trading losses	(2,987)	(5,446)
Deferred tax liability as at 31 December	173	2,809

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16 Loans and other borrowings

	Notes	31 December 2007 £000	30 November 2006 £000
Bank loans and overdrafts		62,000	62,000
Finance leases		312	2,286
		62,312	64,286
Maturity of debt			
In one year or less, or on demand	13	40,177	22,059
In more than one year, but not more than two years	14	22,135	20,227
In more than two years, but not more than five years	14	-	22,000
		62,312	64,286

17 Commitments

At 31 December 2007 the Group was committed to making the following payments during the next year in respect of operating leases

	31 December 2007 Land and Buildings £000	31 December 2007 Other £000	30 November 2006 Land and Buildings £000	30 November 2006 Other £000
Lease expiring				
within one year	130	-	76	-
between two and five years	57	380	57	307
over five years	1,335	-	1,335	-
	1,522	380	1,468	307

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18 Called Up Share Capital and Share Premium Account

		31 December 2007 £000	30 November 2006 £000
(a)	Share Capital		
	Authorised		
	20,000,000 ordinary shares of £1 each	20,000	20,000
	2,000,000 preference shares of £1 each	2,000	2,000
	Allotted called up and fully paid		
	6,909,533 (2006 5,718,269) ordinary shares of £1 each at 31 December 2007	6,910	5,718
		6,910	5,718
(b)	Share premium		
	At 31 December	30,329	13,521

During the year Voca Limited issued 1,191,264 Preference Shares at a share premium of £14 11 to increase the funding of the business As part of the merger with Link Interchange Network Limited, these shares were converted to original shares in Voca Limited

(c) Shareholders

VocaLink Holdings Limited is the only shareholder of Voca Limited and holds all the shares

19 Movement in Reserves

	13 months to 31 December 2007 £000	12 months to 30 November 2006 £000
At 01 December 2006	(19,255)	14,851
Premium on share in issue in year	-	(32,778)
Pension reserve movement	8,664	(3,564)
Retained loss for the financial year	(7,654)	2,236
At 31 December 2007	(18,245)	(19,255)

20 Related Party Transactions

The company has taken advantage of the exemption available under the terms of Financial Reporting Standard No 8 not to disclose related party transactions with Group undertakings which have been eliminated on consolidation

The company's income was principally derived from transaction charges for the company's automated money transmission services contracted with BACS Payment Schemes Limited and the shareholders of the parent company VocaLink Holding Limited

The company operated a loan with The Royal Bank of Scotland Group, a shareholder of the parent company

21 Post Balance Sheets Events

At 1 January 2008, the company's business activity was transferred to Vocalink Limited at book value as part of the restructuring of the Vocalink Group created as part of the merger of Voca Group and Link Interchange Network Group The company ceased to trade as of 1st January 2008

22 Ultimate parent undertaking

At 31 December 2007 the Company's ultimate parent undertaking is Vocalink Holdings Limited, a company registered in England A copy of that company's financial statements can be obtained from The Company Secretary, Drake House, Three Rivers Court, Homestead, Rickmansworth, Hertfordshire, WD3 1FX