

Company Registration Number 1194404

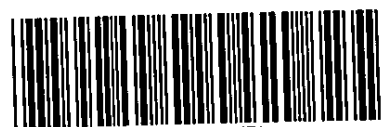
Quotient plc

Report and financial statements

for the year ended

31 May 2010

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Quotient plc
Company Registration Number 1194404

Directors' report for the year ended 31 May 2010

The Directors present their annual report and audited financial statements for the year ended 31 May 2010

Principal activities and review of the business

The Company acts as an intermediate holding company within the Misys Group. No significant change in the activities of the Company is envisaged in the forthcoming year.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Misys plc, which include those of the Company, are discussed on pages 44 - 49 of the Group's annual report which does not form part of this report.

Key performance indicators

The Directors of Misys plc manage the Misys Group's operations on a divisional basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Quotient plc. The development, performance and position of the Group is discussed on pages 20 - 35 of the Group's annual report which does not form part of this report.

Results and dividends

The results of the Company for the year are set out in detail on page 5. No interim dividend was paid during the year (2009: £nil). The Directors do not recommend the payment of a dividend (2009: £nil). A profit of £109,000 (2009: £12,000) was transferred to reserves.

Directors

The Directors who served during the year were as follows:

Misys Corporate Director Limited	
N Farrimond	(appointed 2 June 2010)
R L Ham	(resigned 2 June 2010)
J Cheeswright	(resigned 26 July 2010)
T Homer	(appointed 26 July 2010)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' 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, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK 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.

Quotient plc

Directors' report for the year ended 31 May 2010

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. 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.

Disclosure of information to auditors

So far as each Director is aware, there is no relevant audit information of which the Company's auditors were unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' indemnities

All Directors have been granted an indemnity by the ultimate parent company, Misys plc, to the extent permitted by law in respect of certain liabilities incurred as a result of their office in associated companies. They are indemnified against liability to third parties, excluding criminal liability and regulatory penalties and certain other liabilities. This is a qualifying third party indemnity provision for the purposes of the Companies Act 2006 which was made during the financial year and remains in force at the date of this report.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors and are deemed automatically re-appointed.

By order of the Board



For and on behalf of
Misys Corporate Director Limited
Director
20 September 2010

Independent Auditor's Report to the members of

Quotient plc

We have audited the financial statements of Quotient plc for the year ended 31 May 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 1 and 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion, the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 May 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the members of

Quotient plc

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Giles Hannam (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 September 2010

Quotient plc

Profit and loss account for the year ended 31 May 2010

	Note	2010 £'000	2009 £'000
Income from shares in group undertakings		-	12
Profit on ordinary activities before taxation	2	-	12
Tax on profit on ordinary activities	3	109	-
Profit on ordinary activities after taxation	8	<u>109</u>	<u>12</u>

The notes to the financial statements are on pages 7 to 10

The results for both years reflect continuing operations

There were no recognised gains or losses for the years other than the profit for the financial year stated above. Accordingly, no statement of total recognised gains and losses is given.

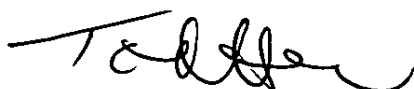
There are no material differences between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents.

Quotient plc

Balance sheet as at 31 May 2010

	Note	2010 £'000	2009 £'000
Fixed assets			
Investments	4	-	-
Current assets			
Debtors			
- falling due within one year	5	109	-
- falling due after more than one year	5	5,826	5,652
Total assets less current liabilities		<u>5,935</u>	<u>5,652</u>
Creditors amounts falling due after more than one year	6	(1,584)	(1,410)
Net assets		<u>4,351</u>	<u>4,242</u>
Capital and reserves			
Called up share capital	7	697	697
Share premium account	8	2,844	2,844
Merger reserve	8	1,225	1,225
Profit and loss account	8	(415)	(524)
Total shareholders' funds	9	<u>4,351</u>	<u>4,242</u>

The financial statements on pages 5 to 10 were approved by the Board of Directors on 20 September 2010 and signed on its behalf by



T Homer
Director

Quotient plc

Notes to the financial statements for the year ended 31 May 2010

1. Accounting policies

Accounting convention

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below.

Investments

Investments held as fixed assets are stated at cost less provision considered necessary for any impairment.

The need for any impairment write down for investments or loans to fellow group companies is assessed by comparison of the carrying value of the asset against the recoverable amount. Any impairment losses are immediately charged to profit and loss account.

Taxation

Current tax for the current and prior periods is provided at the amount expected to be paid (or recovered) using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or the right to pay less tax, at a future date, at tax rates expected to apply when the timing differences reverse based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. 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 the 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.

Cash flow and related party disclosures

The Company is a wholly owned subsidiary of Misys plc and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996) 'Cash Flow Statements'.

The Company has also taken advantage of the exemption under FRS8 'Related party transactions' not to disclose transactions with group undertakings since Misys plc is the beneficial owner of the entire equity share capital of the Company.

2. Profit on ordinary activities before taxation

Remuneration of the auditors and Directors has been paid by other group companies, as was the case in the prior year. The Directors' services to this Company and to a number of fellow subsidiaries are of non-executive nature and their emoluments are deemed to be wholly attributable to their services to other group companies. Accordingly, no emoluments details are disclosed in these accounts. There were no employees in the year (2009: nil).

3. Tax on profit on ordinary activities

	2010 £'000	2009 £'000
Current tax		
UK Corporation tax credit in respect of prior year	109	-
UK corporation tax on profit for the year	109	-

Quotient plc

Notes to the financial statements for the year ended 31 May 2010

The tax assessed for the current year is higher (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	2010 £'000	2009 £'000
Profit on ordinary activities before taxation	-	12
Tax on profit on ordinary activities at the standard rate of UK tax of 28% (2009 28%)	-	(3)
<i>Effects of</i>		
Adjustment in respect of prior years	109	-
Other adjustments / UK dividend income	-	3
Current tax charge for the year	109	-

The Company has no recognised or unrecognised deferred tax asset or liability (2009 £nil)

A number of changes to the UK corporation tax system were announced in the June 2010 Budget Statement The Finance (no 2) Act 2010 was enacted in July 2010 and reduces the main rate of corporation tax from 28% to 27% from 1 April 2011 Further reductions are proposed to be enacted separately each year with the aim of reducing the rate by 1% per annum to 24% by 1 April 2014 The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements We estimate the reduction in the corporation tax rate from 28% to 27% will not have a material impact on the Company's results

4. Investments

	2010 £'000
Cost	
At 1 June 2009 and 31 May 2010	447
Provision for impairment	
At 1 June 2009 and 31 May 2010	(447)
Net book value	
At 1 June 2009 and 31 May 2010	-

Details of subsidiaries are as follows

Name	Country of Incorporation	Proportion of ordinary and preference share capital held
ACT Clearing Services Limited	England and Wales	99.999%
Practical Programs Limited	England and Wales	99.333%

All subsidiary undertakings are dormant

In the opinion of the Directors, the value of the Company's investments is not less than their recoverable amounts

The Company is a wholly owned subsidiary of Misys plc and has consequently taken advantage of Section 400 Companies Act 2006 not to prepare group financial statements

Quotient plc

Notes to the financial statements for the year ended 31 May 2010

5. Debtors

	2010 £'000	2009 £'000
Amounts falling due within one year		
Corporation tax	<u>109</u>	<u>-</u>
Amounts falling due after more than one year		
Amounts due from group undertakings	<u>5,826</u>	<u>5,652</u>

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand. The Company however, has no immediate intention to recall these loans in the short term and so these amounts are classified as non-current assets.

6. Creditors

	2010 £'000	2009 £'000
Amounts falling due after more than one year		
Amounts due to group undertakings	<u>1,584</u>	<u>1,410</u>

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand. However payment is not expected within the short term and so these amounts are classified as non-current liabilities.

7. Called up share capital

	2010 £'000	2009 £'000
Authorised		
17,000,000 (2009 17,000,000) Ordinary shares of 5p each	<u>850</u>	<u>850</u>
Allotted, called up and fully paid		
13,946,125 (2009 13,946,125) Ordinary shares of 5p each	<u>697</u>	<u>697</u>

8. Reserves

	Share premium account £'000	Merger reserve £'000	Profit and loss account £'000
At 1 June 2009	2,844	1,225	(524)
Profit for the year	-	-	109
At 31 May 2010	<u>2,844</u>	<u>1,225</u>	<u>(415)</u>

9. Reconciliation of movement in shareholders' funds

	2010 £'000	2009 £'000
Profit for the year	109	12
Opening shareholders' funds	<u>4,242</u>	<u>4,230</u>
Closing shareholders' funds	<u>4,351</u>	<u>4,242</u>

Quotient plc

Notes to the financial statements for the year ended 31 May 2010

10. Ultimate parent company

The Company's immediate parent company is Misys International Banking Systems Limited

The parent company of both the largest and smallest group in which Quotient plc is included in consolidated accounts is that of Misys plc

The Company's ultimate parent company and controlling party is Misys plc, a company registered in England and Wales. Copies of the group financial statements of Misys plc may be obtained from The Company Secretary of Misys plc, One Kingdom Street, Paddington, London W2 6BL.