

Company registration number 01752099

Misys Holdings Limited

Report and financial statements

for the year ended

31 May 2014

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Misys Holdings Limited
Company registration number 1752099

Strategic report for the year ended 31 May 2014

The Directors present their strategic report of Misys Holdings Limited ("the Company") for the year ended 31 May 2014.

Review of business

The Company acts as an intermediate holding company within the Misys Newco 2 S.à r.l. group of companies (the "Group"). The Company reported a loss on ordinary activities before taxation for the year of £1,308,000 (2013: £717,000) which is driven by net intercompany interest payable of £1,583,000 (2013: £754,000).

Net assets at 31 May 2014 were £290,450,000 compared to £291,758,000 at 31 May 2013. This decrease was driven by interest accruing on intercompany borrowings.

Key performance indicators

The executive management of Misys Newco 2 S.à r.l. manage the Misys Group operations on a group basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of Misys Newco 2 S.à r.l. group ('the Group'), which includes the Company, is discussed on pages 1 to 3 of the Group's Annual Report which does not form part of this report.

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 Newco 2 S.à r.l., which include those of the Company, are discussed on pages 4 to 8 of the Group's annual report which does not form part of this report.

On behalf of the Board



A Woodward

Director

18 December 2014

Misys Holdings Limited
Company registration number 1752099

Directors' report for the year ended 31 May 2014

The Directors present their annual report and audited financial statements of Misys Holdings Limited for the year ended 31 May 2014.

Future developments

No significant change in the activities of the Company is envisaged in the forthcoming year.

Results and dividends

The Company's loss for the financial year is £1,308,000 (2013: £4,754,000). No interim dividend was paid (2013: £nil) during the year. The Directors do not recommend the payment of a final dividend (2013: £nil). The results of the Company for the year are set out in detail on page 7.

Financial risk management

The Company is exposed to a variety of financial risks including foreign exchange currency risk, credit risk and liquidity risk.

Foreign exchange currency risk

The Company is exposed to foreign currency movements, primarily the US Dollar. Foreign exchange risks arise when future commercial transactions and recognised assets and liabilities are denominated in currencies that are not the Company's functional currency.

The Group's net exposure to foreign currency risk is illustrated by the sensitivity analysis on page 55 of the Group's Annual Report.

Credit risk

The Company's principal financial assets are amounts owed by group undertakings. The Group regularly reviews intercompany balances for impairment and, where appropriate, adjustments to the carrying value are made at a subsidiary level.

Liquidity risk

The Company currently has no requirements for external debt finance; sufficient funds for operations are maintained at a group level.

Further details of the group's risk policies are available within the Annual Report of Misys Newco 2 S.à r.l.

Directors

The Directors who served during the year and up to the date of signing the financial statements were as follows:

Misys Corporate Director Limited (resigned 16 October 2013)
J Dudley (resigned 31 July 2013)
T Homer
J Hawkes (resigned 1 October 2013)
E Collins (appointed 31 July 2013, resigned 31 July 2014)
S Patel (appointed 16 October 2013, resigned 28 August 2014)
J van Harken (appointed 31 July 2014)
A Woodward (appointed 5 September 2014)

Misys Holdings Limited
Company registration number 1752099

Directors' report for the year ended 31 May 2014

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 prepared 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, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping 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.

Misys Holdings Limited

Directors' report for the year ended 31 May 2014

Statement on 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.

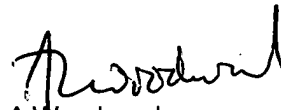
Directors' indemnities

All Directors have been granted an indemnity by the intermediate parent company, Misys Newco 2 S.à r.l. 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 signing of this report.

Independent auditors

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

On behalf of the Board



A Woodward

Director

18 December 2014

Independent Auditors' Report to the members of Misys Holdings Limited

Report on the financial statements

Our opinion

In our opinion, the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 May 2014 and of its loss 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Misys Holdings Limited, comprise:

- Balance sheet as at 31 May 2014;
- Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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.

In addition, we read all the financial and non-financial information in the Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent Auditors' Report to the members of Misys Holdings Limited

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006, we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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 and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, 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.



Alex Hookway (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 December 2014

Misys Holdings Limited
Profit and loss account for the year ended 31 May 2014

	Note	2014 £'000	2013 £'000
Administrative expenses		(52)	14
Income from shares in group undertakings	3	379	333
Interest receivable and similar income	4	259	319
Amounts written off investments	7	(52)	(310)
Interest payable and similar charges	4	(1,842)	(1,073)
Loss on ordinary activities before taxation	2	(1,308)	(717)
Tax on loss on ordinary activities	5	-	(4,037)
Loss for the financial year	11	<u>(1,308)</u>	<u>(4,754)</u>

The notes to the financial statements are on pages 9 to 14.

All results are derived from continuing operations.

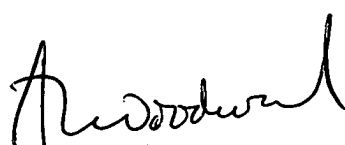
There were no recognised gains or losses for the years other than the loss for the financial years stated above. Accordingly, no statement of total recognised gains and losses is given.

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

Misys Holdings Limited
Balance sheet as at 31 May 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Investments	6	<u>159,837</u>	<u>159,889</u>
Current assets			
Debtors			
- amounts falling due within one year	7	1,606	1,439
- amounts falling due after more than one year	7	<u>161,230</u>	<u>160,345</u>
		162,836	161,784
Creditors: amounts falling due within one year	8	<u>(512)</u>	<u>(106)</u>
Net current assets		162,324	161,678
Total assets less current liabilities		322,161	321,567
Creditors: amounts falling due after more than one year	8	<u>(31,711)</u>	<u>(29,809)</u>
Net assets		290,450	291,758
Capital and reserves			
Called up share capital	9	7,654	7,654
Profit and loss account	10	<u>282,796</u>	<u>284,104</u>
Total shareholders' funds	11	290,450	291,758

The financial statements on pages 7 to 14 were approved by the Board of Directors on 18 December 2014 and signed on its behalf by:


A Woodward
Director

Misys Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

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 in the United Kingdom. The principal accounting policies which have been applied consistently throughout the year are set out below.

Fixed asset 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.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date or at rates specified in related forward contracts. Transactions in foreign currencies are translated at the rate ruling at the date of each transaction. Exchange differences arising from settlement of trading indebtedness are included in operating profit.

Cash flow and related party disclosures

The Company is a wholly owned subsidiary of Misys Newco 2 S.à r.l. 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 FRS 1 (revised 1996) 'Cash Flow Statements'.

The Company has also taken advantage of the exemption under FRS 8 'Related party transactions' not to disclose transactions with group undertakings since Misys Newco 2 S.à r.l. is the owner of the entire share capital of the Company.

Dividend

Dividend income is recognised when the right to receive payment is established.

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which dividend is approved by the Company's shareholders.

Misys Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

2. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is arrived after charging/(crediting):

	2014 £'000	2013 £'000
Impairment of fixed asset investments	(52)	-
Auditors' remuneration for audit of statutory financial statements	6	6
Foreign exchange loss/(gain)	<u>49</u>	<u>(50)</u>

Remuneration of the Directors has been borne by other group companies, as was the case in the prior year. Their services to this Company and to a number of fellow subsidiaries are of a 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 financial statements. There were no employees in the year (2013: nil).

3. Income from shares in group undertakings

The Company received dividends during the year from subsidiary companies, Emma Misys Limited, Joanna Misys Limited and Misys Worcester Limited. The Company received dividends in the prior year from subsidiary companies, Misys B&S Division Limited and Misys Patriot Limited.

4. Net interest payable

	2014 £'000	2013 £'000
Interest receivable from group undertakings	259	319
Interest payable to group undertakings	<u>(1,842)</u>	<u>(1,073)</u>
Net interest payable	<u>(1,583)</u>	<u>(754)</u>

5. Tax on loss on ordinary activities

	2014 £'000	2013 £'000
Deferred Tax		
Deferred tax charge	-	(4,037)
Tax on loss on ordinary activities	<u>-</u>	<u>(4,037)</u>

Misys Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

The tax assessed for the year is higher (2013: higher) than the standard rate of corporation tax based on loss before tax for the following reasons:

	2014 £'000	2013 £'000
Loss on ordinary activities before taxation	(1,308)	(717)
Current tax (charge) credit for the year at the standard rate of UK tax of 22.67% (2013: 23.83%)	297	171
Tax adjustment on intercompany transactions	(2,080)	(1,280)
Non taxable income	-	76
Non deductible investments write off	(12)	(74)
Group relief claimed for nil consideration	1,795	1,107
Current tax charge for the year	-	-

At 31 May 2014 there was an unrecognised deferred tax asset of £42,978,000 relating to tax losses (2013: £52,168,000). This deferred tax asset has not been recognised as its use is uncertain or is not currently anticipated due to insufficient suitable profits within the Group.

6. Fixed asset investments

	Other investments £'000	Shares in subsidiary undertakings £'000	Total £'000
Cost			
At 1 June 2013 and 31 May 2014	316	1,364,708	1,365,024
Provision for impairment			
At 1 June 2013	(316)	(1,204,819)	(1,205,135)
Charge for the year	-	(52)	(52)
At 31 May 2014	(316)	(1,204,871)	(1,205,187)
Net book value			
31 May 2014	-	159,837	159,837
31 May 2013	-	159,889	159,889

Impairment charge during the year relates to Misys Worcester Limited which was put in to liquidation on 30 May 2014.

Misys Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

Principal subsidiary undertakings

Listed below are the principal investments in subsidiaries held by the Company.

Company	Country of incorporation	Nature of Business	Holding
MIBS Holdings Limited	England & Wales	Holding company	100%
Misys Securities Trading Systems (Asia Pacific) NZ Limited	New Zealand	Non-trading	99.90%

In addition to the companies shown above, the Company also holds investments in a number of other subsidiary undertakings, which in the Directors' opinion do not significantly affect the figures in the financial statements.

Other investments of £316,000 relate to a holding in Accel Keiretsu VI Limited Partnership, formed in the United States of America. The Partnership maintains investments in technology and media sectors globally. The terms of the Partnership expired on 31 December 2011. The Partnership is expected to continue to operate in accordance with the Partnership Agreement until all assets are distributed.

In the opinion of the Directors, the carrying value of the Company's investments is not greater than the underlying net asset value of those investments.

The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Misys Newco 2 S.à r.l., a company incorporated in Luxembourg.

7. Debtors

	2014 £'000	2013 £'000
Amounts falling due within one year		
Amounts owed by group undertakings	<u>1,606</u>	<u>1,439</u>
Amounts falling due after more than one year		
Amounts owed by group undertakings	<u>161,230</u>	<u>160,345</u>

Amounts owed by group undertakings are unsecured and repayable on demand. The Company has no immediate intention to recall £161,230,000 of these balances (2013: £160,345,000) in the short term and so these amounts are classified as amounts falling due after more than one year.

Of the amounts due from group undertakings above, £17,575,000 (2013: £17,317,000) is interest bearing. The make-up of this amount has attracted interest at a floating rate ranging from 3.23% to 3.24% (2013: 3.24% to 3.42%) during the year.

Misys Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

8. Creditors

	2014 £'000	2013 £'000
Amounts falling due within one year		
Amounts owed to group undertakings	<u>512</u>	<u>106</u>
Amounts falling due after more than one year		
Amounts owed to group undertakings	<u>31,711</u>	<u>29,809</u>

Amounts owed to group undertakings are unsecured and repayable on demand. However payment of £31,711,000 (2013: £29,809,000) is not expected within the short term and so these amounts are classified as non-current liabilities.

Of the amounts due to group undertakings above, £31,065,000 (2013: £29,223,000) is interest bearing. The make-up of this amount has attracted interest at a floating rate ranging from 6.51% to 6.52% (2013: 6.51% to 6.68%) during the year.

9. Called up share capital

	2014 £'000	2013 £'000
Authorised		
260,000,000 (2013: 260,000,000) ordinary shares of £1 each	<u>260,000</u>	<u>260,000</u>
Allotted and fully paid		
7,654,123 (2013: 7,654,123) ordinary shares of £1 each	<u>7,654</u>	<u>7,654</u>

10. Profit and loss account

	£'000
At 1 June 2013	284,104
Loss for the financial year	<u>(1,308)</u>
At 31 May 2014	<u>282,796</u>

11. Reconciliation of movements in shareholders' funds

	2014 £'000	2013 £'000
Loss for the financial year	(1,308)	(4,754)
Opening shareholders' funds	<u>291,758</u>	<u>296,512</u>
Closing shareholders' funds	<u>290,450</u>	<u>291,758</u>

Misys Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

12. Contingent liabilities

The Company, together with several other wholly owned subsidiaries of Misys Newco 2 S.à r.l. guarantees the credit facilities of the group. These facilities comprise secured credit agreements for US\$1,308m for first lien loans and US\$625m for second lien loans, which mature between four and six years. Under the credit facilities of the group, there is a fixed and floating charge over all of the assets of the Company.

13. Ultimate parent company

The Company's immediate parent company is Misys Services Limited which is incorporated in the United Kingdom.

The parent company of the smallest group in which the Company is included in consolidated financial statements is that of Misys Newco 2 S.à r.l. a company incorporated in Luxembourg. The parent company of the largest group in which the Company is included in consolidated financial statements is that of Misys Newco S.à r.l. a company incorporated in Luxembourg.

Copies of the group financial statements of Misys Newco 2 S.à r.l. and Misys Newco S.à r.l. may be obtained from the Misys Group Secretariat, One Kingdom Street, Paddington, London W2 6BL.

The party which controls the Company is Vista Equity Partners based in USA.

14. Events after the year end date

After the year end, the Company acquired 1 fully paid Ordinary share of RON 10.00 in the capital of a subsidiary, Misys International Financial Systems SRL, for consideration of RON 10.00.