

**IFA NETWORK (SERVICES) LIMITED**  
**FINANCIAL STATEMENTS AND**  
**DIRECTORS' REPORT**  
**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

**REGISTERED NUMBER: 02667339**

THURSDAY



\*AR5PXZ5W\*

A17

24/04/2008

233

COMPANIES HOUSE

**IFA NETWORK (SERVICES) LIMITED**

**DIRECTORS' REPORT**

**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

The Directors present their report and the audited financial statements of IFA Network Services Limited (the "Company") for the seven month period ended 31 December 2007

**Principal Activity and Business Review**

The Company has been non-trading during the financial period. The Directors expect that the Company will be dormant and will continue to be non-trading in the coming year.

On 8 June 2007 Sesame Group Limited was acquired by Friends Provident Distribution Holdings Limited (a 100% subsidiary of Friends Provident plc). On this date the Company's ultimate parent company and controlling party ceased to be Misys plc and became Friends Provident plc. The immediate parent company is IFA Group Limited, which is a subsidiary of Sesame Group Limited.

**Results and Dividends**

The results of the Company for the period are set out in detail on page 5. The Directors do not recommend the payment of a final ordinary dividend (year ended 31 May 2007: £nil). A profit of £79,643 has been transferred to reserves (year ended 31 May 2007: £79,643 loss).

**Principal Risks and Uncertainties**

The Company's principal risk is the ability to recover its debtors due from group undertakings. It is currently able to do this on demand because of parental support.

**Key Performance Indicators (KPI's)**

The Directors do not rely on KPI's because the Company is non-trading.

**Directors**

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

M T Wadelin  
P N C Gale (resigned 6 December 2007)  
I Martin (appointed 6 December 2007)

**Statement of Disclosure of Information to Auditors**

Each Director in office at the date of this report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- Each Director has taken all steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent Auditors**

Following a change in the ultimate ownership of the Company from Misys plc to Friends Provident plc, for practical purposes PricewaterhouseCoopers LLP were retained for the 31 December 2007 period end audit. In 2008, the Company's ultimate parent company, Friends Provident plc, will carry out a review following which a resolution to appoint auditors will be proposed.

**IFA NETWORK (SERVICES) LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

**Change of Accounting Reference Date**

In order to bring the reporting period of the Company in line with Friends Provident plc following the change in ownership from Misys plc to Friends Provident plc the accounting reference date was changed from 31 May to 31 December. The current period is the seven months to 31 December 2007, the comparative period is the twelve months to 31 May 2007.

**Statement of Directors Responsibilities**

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. 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). The 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 of the Company for that period.

In preparing those financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable 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, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Directors on 11 April 2008 and signed on its behalf by



**M T Wadelin**  
**Director**

**IFA NETWORK (SERVICES) LIMITED**  
**INDEPENDENT AUDITORS' REPORT**  
**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

**Independent Auditors' Report to the Members of IFA Network (Services) Limited**

We have audited the financial statements of IFA Network (Services) Limited for the seven month period ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective Responsibilities of Directors and Auditors**

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you 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 judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**IFA NETWORK (SERVICES) LIMITED**  
**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007 and of its profit for the 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



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**London**

*16 April 2008*

**IFA NETWORK (SERVICES) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

	Note	Seven Month Period Ended 31 December 07 £	Year Ended 31 May 07 £
<b>Other expenses</b>			
Exceptional Item	11	79,643	(79,643)
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities before taxation</b>		79,643	(79,643)
Tax on profit/(loss) on ordinary activities	4	-	-
		<hr/>	<hr/>
<b>Retained profit/(loss) for the financial period/year</b>	7	79,643	(79,643)
		<hr/> <hr/>	<hr/> <hr/>

The results above reflect the continuing activities of the Company

There are no other gains or losses for the financial period other than the result for the financial period above  
Accordingly no Statement of Total Recognised Gains and Losses is given

There is no material difference between the profit on ordinary activities before taxation and the retained profit  
for the financial period as shown above and their historical cost equivalents

## IFA NETWORK (SERVICES) LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2007

	Note	31 December 07 £	31 May 07 £
<b>Current Assets</b>			
Debtors – Amounts falling due within one year	5	79,643	-
		<u>79,643</u>	<u>-</u>
<b>Total Assets less Current Liabilities</b>		<u>79,643</u>	<u>-</u>
<b>Capital and Reserves</b>			
Called up share capital	6	20,003	20,003
Share premium account		42,000	42,000
Profit and loss account	7	17,640	(62,003)
		<u>79,643</u>	<u>-</u>
<b>Total Equity Shareholders' Funds</b>	8	<u>79,643</u>	<u>-</u>

The financial statements on pages 5 to 10 were approved by the Board of Directors on 11 April 2008 and signed on its behalf by



**M T Wadelin**  
Director

**IFA NETWORK (SERVICES) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

**1 Accounting Policies****Basis of Accounting**

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

**Cash Flow Statement**

During the period the Company was a wholly owned subsidiary of Misys plc until 7 June 2007 and Friends Provident plc thereafter and its results are included in the consolidated financial statements of Friends Provident, 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'.

**2 Auditors' Remuneration**

Remuneration of auditors for audit services of £5,000 (year ended 31 May 2007: £5,000) has been borne by a fellow subsidiary, Sesame Services Limited, and has not been recharged to the Company. This was also the case in the prior year.

**3 Employees and Directors remuneration**

There were no employees in the period (year ended 31 May 2007: nil). Directors' emoluments have not been apportioned to IFA Network (Services) Limited as the Directors' services to this Company are considered to be incidental to the activities of the entire group (year ended 31 May 2007: £nil). The Directors are remunerated by other companies within the group.

	<b>Seven Month Period Ended 31 December 07 £</b>	<b>Year Ended 31 May 07 £</b>
<b>4 Tax on Profit/(loss) on Ordinary Activities</b>		
UK Corporation tax at 30% (31 May 2007: 30%)	-	-
	<u>          </u>	<u>          </u>

The tax assessed for the period differs from the standard rate of United Kingdom Corporation tax (30%) (year ended 31 May 2007: 30%). The differences are as follows:



**IFA NETWORK (SERVICES) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

<b>4 Tax on Profit/(loss) on Ordinary Activities (continued)</b>	<b>Seven Month Period Ended 31 December 07 £</b>	<b>Year Ended 31 May 07 £</b>
Profit/(loss) on ordinary activities before taxation	79,643	(79,643)
Tax on profit/(loss) on ordinary activities at standard rate of UK Corporation tax of 30% (year ended 31 May 2007 30%)	23,893	(23,893)
Factors affecting charge for the period/year Tax adjustment on intercompany transactions	(23,893)	23,893
Current tax for the financial period/year	-	-
<b>5 Debtors – Amounts falling due within one year</b>	<b>31 December 07 £</b>	<b>31 May 07 £</b>
Amounts owed by group undertakings	79,643	-
	79,643	-
Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand		
<b>6 Called Up Share Capital</b>	<b>31 December 07 £</b>	<b>31 May 07 £</b>
<b>Authorised:</b>		
20,000 deferred shares of £1 each	20,000	20,000
400 ordinary shares of US\$0.01 each	3	3
	20,003	20,003
<b>Allotted, called up and fully paid:</b>		
20,000 deferred shares of £1 each	20,000	20,000
400 ordinary shares of US\$0.01 each	3	3
	20,003	20,003

## IFA NETWORK (SERVICES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007

**6 Called Up Share Capital (continued)**

The holders of deferred ordinary shares shall not be entitled to any participation in the profits or assets of the Company, except in the instance of a winding up of the company. In a winding up of the company deferred ordinary shareholders shall be entitled out of surplus assets the return of the nominal capital paid up on the deferred ordinary shares.

**7 Profit and Loss Account****31 December 07**  
£

The movement during the financial period was as follows

At 1 June 2007	(62,003)
Retained profit for the financial period	79,643
	<hr/>
At 31 December 2007	17,640
	<hr/>

**8 Reconciliation of Movements in Equity Shareholders' Funds****31 December 07**  
£**31 May 07**  
£

Retained profit/(loss) for the financial period/year	79,643	(79,643)
Opening equity shareholders' funds	-	79,643
	<hr/>	<hr/>
Closing equity shareholders' funds	79,643	-
	<hr/>	<hr/>

**9 Ultimate Parent Company and Controlling Party**

The Company's immediate parent company is I E Group Limited, a company registered in England and Wales. Up to 7 June 2007, the ultimate parent company was Misys plc. From 8 June 2007, following the acquisition by Friends Provident Distribution Holdings Limited, Friends Provident plc (a company registered in England and Wales) is the new ultimate parent company. The parent company of both the largest and smallest group in which IFA Network (Services) Limited is included in consolidated financial statements is that of Friends Provident plc. The consolidated financial statements of Friends Provident plc are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. The controlling party is Friends Provident plc.

**10 Related Party Transactions**

The Company has also taken advantage of the exemption under paragraph 3(c) of FRS8 'Related Party Disclosures' not to disclose transactions with group undertakings since the beneficial owner of the entire equity share capital of the Company during the period was Misys plc until 7 June 2007 and Friends Provident plc thereafter, and the financial statements of the parent company are publicly available. There were no other related party transactions requiring disclosure.

**IFA NETWORK (SERVICES) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE SEVEN MONTH PERIOD ENDED 31 DECEMBER 2007**

**11 Exceptional Item**

	<b>Seven Month Period Ended 31 December 07 £</b>	<b>Year Ended 31 May 07 £</b>
Release of / (Provision) against group undertakings	79,463	(79,463)

The exceptional item relates to the release of provisions previously held against intercompany balances within the Sesame Group of Companies. The provisions have been released as the Directors have received letters of support from Friends Provident plc confirming that it will repay all amounts payable on demand for the twelve month period immediately following the date of signing by a Director of the balance sheet.