ACT Insurance Systems Limited

Directors' report and financial statements

Registered number 2685165

For the year ended 31 May 2007

Contents

Directors' report	1
Statement of directors' responsibilities in respect of the directors' report and the financial statements	1
Independent auditors' report to the members of ACT Insurance Systems Limited	1
Profit and loss account	1
Balance sheet	1
Notes	1

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 May 2007

Principal activity

The principal activity of the company is the sale and support of computer software systems

Business review

The company performed well during the year providing support services to its customer base

Results and dividends

The results and dividends of the company for the year are set out in detail on page 5

The directors do not recommend the payment of a dividend *(2006 interim dividend £2,000,000)*

Directors

The directors who held office during the year were as follows

PW Bell
MS Ryder
DS Bailey (appointed 1 June 2006)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company, is to be proposed at the forthcoming annual general meeting

By order of the board

PW Bell
Director

Buckholt Drive
Warndon
Worcester
WR4 9SR

18 July 2007

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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, 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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 company and to prevent and detect fraud and other irregularities

KPMG LLP
2 Cornwall Street
Birmingham
B3 2DL

Independent auditors' report to the members of ACT Insurance Systems Limited

We have audited the financial statements of ACT Insurance Systems Limited for the year ended 31 May 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

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 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 2

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 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

Independent auditors' report to the members of ACT Insurance Systems Limited
(continued)

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 May 2007 and of its profit for the year 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
Chartered Accountants
Registered Auditor

18 July 2007

Profit and loss account

for the year ended 31 May 2007

	Note	**2007 £000**	2006 £000
Turnover	*1,2*	**963**	1 074
Cost of sales		**(516)**	(490)
Gross profit		**447**	584
Administrative expenses		**(88)**	(124)
Operating profit		**359**	460
Interest receivable – bank interest		**2**	-
Profit on ordinary activities before taxation	*3*	**361**	460
Tax on profit on ordinary activities	*6*	**(93)**	(119)
Profit on ordinary activities after taxation and for the financial year	*13*	**268**	341

The results for the year reflect trading from continuing operations There are no gains and losses for the years other than the profit for the financial years above

Balance sheet
at 31 May 2007

	Note	2007 £000	2007 £000	2006 £000	2006 £000
Fixed assets					
Tangible assets	*7*		**7**		11
Current assets					
Debtors	*8*	**867**		403	
Cash at bank and in hand		**97**		306	
		964		709	
Creditors Amounts falling due within one year	*9*	**(287)**		(310)	
Net current assets			**677**		399
Total assets less current liabilities			**684**		410
Deferred income	*10*		**(157)**		(151)
Net assets			**527**		259
Capital and reserves					
Share capital	*12*		**-**		-
Profit and loss account	*13*		**527**		259
Equity shareholders' funds	*14*		**527**		259

These financial statements were approved by the board of directors on 18 July 2007 and were signed on its behalf by

PW Bell
Director

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As the company is ultimately a wholly owned subsidiary of Greenwich EquityCo S a r l , the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties)

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets on a straight line basis over their estimated useful economic lives as follows

Computer equipment	-	4 years
Furniture, fittings and equipment	-	4 years

Revenue recognition

Turnover represents amounts invoiced to customers (net of value added tax) for goods and services from the company's principal activity Revenue from systems is recognised upon delivery to a customer when there are no significant vendor obligations remaining and the collection of the resulting receivable is considered probable In circumstances where a considerable vendor obligation exists, revenue recognition is delayed until the obligation has been satisfied Service revenue comprises revenues for maintenance, transaction processing and professional services Maintenance and support contracts are recognised rateably over the period of the contract Professional services, such as implementation, training and consultancy, are recognised when the services are performed

Deferred income

Deferred income represents amounts invoiced in advance in respect of contracts for the provision of software maintenance and support services

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19

Leasing

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Notes *(continued)*

1 Accounting policies *(continued)*

Pensions

The company operated a defined contribution pension scheme covering the majority of its employees until 31 July 2006 From 1 August 2006, the company has operated a stakeholder pension scheme covering the majority of employees The costs of the pension scheme are charged to the profit and loss account as incurred

2 Turnover

All turnover is to customers within the United Kingdom and is attributable to the principal activity of the company, being the sale of computer software systems

3 Profit on ordinary activities before taxation

	2007	2006
	£000	£000
Profit on ordinary activities before taxation is stated		
after charging		
Depreciation of owned assets	**5**	5
Operating leases – other assets	**22**	22
Fees payable to the company's auditors		
Audit of these financial statements	**4**	3

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Number of employees	
	2007	2006
Administrative and management	**4**	3
Support	**9**	8
	13	11

The aggregate payroll costs of these persons were as follows

	£000	£000
Wages and salaries	**392**	372
Social security costs	**51**	47
Other pension costs	**15**	14
	458	433

Notes *(continued)*

5 Remuneration of directors

	2007	2006
	£000	£000
Directors' remuneration	-	84
Pension costs *(2006 one director)*	-	6
	-	90

The remuneration of the directors of the company has been borne by Open GI Limited, a fellow subsidiary undertaking during the year ended 31 May 2007

6 Taxation

Analysis of charge in year

	2007	2006
	£000	£000
UK corporation tax		
Current tax on income for the year	**105**	151
Adjustments in respect of prior years	**(29)**	-
Total current tax	**76**	151
Deferred tax (see note 11)		
Origination/reversal of timing differences	**4**	3
Adjustment in respect of prior year	**13**	(35)
Tax on profit on ordinary activities	**93**	119

Factors affecting the tax charge for the current year

The current tax charge for the year is lower *(2006 higher)* than the standard rate of corporation tax in the UK of 30% *(2006 30%)* The differences are explained below

	2007	2006
	£000	£000
Current tax reconciliation		
Profit on ordinary activities before tax	**361**	460
Current tax at 30% *(2006 30%)*	**108**	138
Effects of		
Capital allowances in excess of depreciation	**(3)**	(3)
Other taxable income	-	16
Adjustment to tax charge in respect of prior years	**(29)**	-
Total current tax charge (see above)	**76**	151

Notes *(continued)*

6 Taxation *(continued)*

Factors affecting future tax charges

It has been announced that the corporation tax rate applicable to the company is expected to change from 30% to 28% from 1 April 2008 The deferred tax asset has been calculated at 30% in accordance with FRS 19 Any timing differences which reverse before 1 April 2008 will be relieved at 30%, any timing differences which exist at 1 April 2008 will reverse at 28% and, because of the uncertainty of when the deferred tax asset will reverse, it is not possible to calculate the full financial impact of this change

7 Tangible fixed assets

	Computer equipment	Furniture, fittings and equipment	Total
	£000	**£000**	**£000**
Cost			
At beginning of year	183	6	189
Additions	1	-	1
At end of year	184	6	190
Accumulated depreciation			
At beginning of year	173	5	178
Charge for year	4	1	5
At end of year	177	6	183
Net book value			
At 31 May 2007	**7**	**-**	**7**
At 31 May 2006	10	1	11

8 Debtors

	2007	2006
	£000	£000
Trade debtors	**69**	99
Amounts owed by group undertakings	**743**	221
Deferred tax asset (note 11)	**15**	32
Other debtors	**2**	2
Prepayments and accrued income	**38**	49
	867	403

Notes *(continued)*

9 Creditors Amounts falling due within one year

	2007 £000	2006 £000
Trade creditors	**14**	34
Amounts owed to group undertakings	**30**	-
Corporation tax	**105**	71
Other taxation and social security	**51**	64
Accruals	**87**	138
	287	310

10 Deferred income

	2007 £000	2006 £000
To be recognised within one year	**157**	151

11 Deferred taxation

The movements in deferred tax assets for the year are as follows

	Deferred tax asset £000
At beginning of year	32
Charge to profit and loss account for the year (note 6)	(17)
At end of year	**15**

The elements of deferred tax are as follows

	2007 £000	2006 £000
Accelerated capital allowances	**9**	12
Other timing differences	**6**	20
	15	32

At 31 May 2007 and 31 May 2006 there was no unprovided deferred tax

12 Share capital

	2007 £	2006 £
Authorised		
100 ordinary shares of £1 each	**100**	100
Allotted and fully paid		
2 ordinary shares of £1 each	**2**	2

Notes *(continued)*

13 Reserves

	Profit and loss account £000
At beginning of year	259
Profit for the financial year	268
At end of year	**527**

14 Reconciliation of movements in shareholders' funds

	2007 £000	2006 £000
Profit for the financial year	**268**	341
Dividends paid in the year	**-**	(2 000)
Net addition to/(reduction in) shareholders' funds	**268**	(1 659)
Opening shareholders' funds	**259**	1 918
Closing shareholders' funds	**527**	259

15 Financial commitments

The annual commitments under non-cancellable operating leases are as follows

	Land and buildings	
	2007	2006
	£000	£000
Operating leases which expire		
Between two and five years	**22**	22

16 Pensions

The company provided benefits to its employees through the Misys plc Group Pension Scheme until 31 July 2006 From 1 August 2006 the company provided its own stakeholder pension scheme The pension charge for the year was £15,000 *(2006 £14,000)* There were no amounts unpaid at 31 May 2007 *(2006 £Nil)*

17 Ultimate parent company

The company is a subsidiary undertaking of Greenwich EquityCo S á r l , which is the ultimate parent company incorporated in Luxembourg

The largest group in which the results of the company are consolidated is that headed by Greenwich EquityCo S a r l The consolidated financial statements of Greenwich EquityCo S á r l are available to the public and can be obtained from the following address

23 avenue Monterey L-2086 Luxembourg