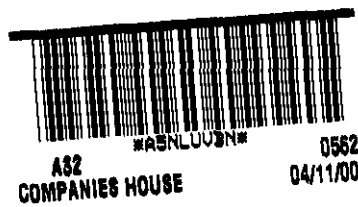


**Company Registration Number 2747939**

**PENTA GROUP PLC**

**Report and Financial Statements**

**31 May 2000**



**PENTA GROUP PLC**  
**DIRECTORS' REPORT**

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The Directors present their annual report and audited financial statements for the year ended 31 May 2000.

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The Company acts as an intermediate holding company within the Misys Group. The Directors believe that the company has operated satisfactorily during the year. No significant change in the activities of the Company is envisaged in the forthcoming year

**RESULTS AND DIVIDENDS**

The results of the Company for the year are set out in detail on page 5. The Directors do not recommend the payment of a final dividend (1999 : £nil). Losses of £100,000 (1999: £nil) were transferred to reserves.

**DIRECTORS AND THEIR INTERESTS**

The Directors who served during the year and the interests of those serving at the end of the year in the shares of the ultimate parent company, Misys plc, were as follows:

	Misys plc	
	Ordinary shares of 1p each	
	2000	1999
R K Graham	*	*
R O Evans	#	#

\* R K Graham is a Director of the ultimate parent company, Misys plc, and his interest in shares, share option schemes and share plans are shown in the financial statements of that company.

# R O Evans is a Director of an intermediate parent company, Misys Holdings Limited and his interest in shares, share option schemes and share plans are shown in the financial statements of that company.

**PENTA GROUP PLC**  
**DIRECTORS' REPORT**

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**YEAR 2000**

The comprehensive group-wide internal programme to ensure that all computer dependent systems continue to operate with the Y2K related date changes progressed satisfactorily to plan and, to date, there has been no disruption to Misys' operations.

Further details, including estimated costs associated with this programme, are shown in the financial statements of Misys plc.

**AUDITORS**

PricewaterhouseCoopers have expressed their willingness to continue in office as Auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors on 26 July 2000 and signed on its behalf by:



**R O EVANS**  
Director

## **PENTA GROUP PLC**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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The Directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for the year to that date. The requirements are specified in the Companies Act 1985 and in applicable accounting standards. It is also the Directors' responsibility to:

maintain adequate accounting records;

safeguard the assets of the Company;

prevent and detect fraud and other irregularities;

prepare financial statements on the going concern basis, unless it is inappropriate;

The Directors confirm that suitable accounting policies consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the financial statements and that applicable accounting standards have been followed.

# AUDITORS' REPORT TO THE MEMBERS OF

## PENTA GROUP PLC

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We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Report and Financial Statements. As described on page 3, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 transactions is not disclosed.

We read the other information contained in the Report and Financial Statements and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

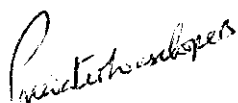
### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards 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 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.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 May 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

London

26 July 2000

**PENTA GROUP PLC**  
**PROFIT AND LOSS ACCOUNT**

**Year ended 31 May 2000**

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	Note	2000 £	1999 £
Provision against investments	3	<u>(100,000)</u>	<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	(100,000)	-
Tax on loss on ordinary activities		-	-
<b>LOSS FOR THE YEAR</b>	6	<u><u>(100,000)</u></u>	<u><u>-</u></u>

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

**PENTA GROUP PLC**  
**BALANCE SHEET**  
**31 May 2000**

	Note	2000 £	1999 £
<b>FIXED ASSETS</b>			
Investments	3	-	100,000
<b>CURRENT ASSETS</b>			
Debtors	4	86,459	86,459
<b>NET ASSETS</b>		<u>86,459</u>	<u>186,459</u>
<b>CAPITAL AND RESERVES</b>			
Share capital	5	200,000	200,000
Profit and loss account	6	(113,541)	(13,541)
<b>EQUITY SHAREHOLDER'S FUNDS</b>	7	<u>86,459</u>	<u>186,459</u>

Approved by the Board of Directors on 26 July 2000 and signed on its behalf by



R O EVANS, Director

**PENTA GROUP PLC**  
**BALANCE SHEET**  
**31 May 2000**

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**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

**Investments**

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

**2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

Loss on ordinary activities before taxation is arrived at after charging auditor's remuneration of £nil (1999 : £nil). The Company does not have any employees (1999 : £nil). The directors are not remunerated by the Company (1999 : £nil).

**3. INVESTMENTS**

	Shares in subsidiary undertakings as restated £
Cost as at 1 June 1999 and 31 May 2000	100,000
<b>Provision</b>	
At 1 June 1999	-
Made in the year	100,000
At 31 May 2000	100,000
<b>Net book value</b>	
At 31 May 2000	-
At 31 May 1999	100,000

The investment comprises the entire issued share capital of Penta Insurance Systems Limited and Penta Technologies Limited, both incorporated and registered in England and Wales with principal activity being the sale of complete computer systems to the insurance industry.

In the opinion of the Directors the value of the Company's investments is not less than the underlying net assets of the subsidiary undertakings.

The Company is a wholly owned subsidiary of Misys plc and has consequently taken advantage of S228 Companies Act 1985 not to prepare group financial statements.



**PENTA GROUP PLC**  
**NOTES TO THE BALANCE SHEET**  
**Year ended 31 May 2000**

4. DEBTORS	2000	1999
	£	£
Amounts owed by group undertakings	<u>86,459</u>	<u>86,459</u>

5. SHARE CAPITAL	2000	1999
	£	£
<b>Authorised, allotted and fully paid</b>		
100,000 'A' Ordinary shares of £1 each	100,000	100,000
100,000 'B' Ordinary shares of £1 each	100,000	100,000
	<u>200,000</u>	<u>200,000</u>

The 'A' Ordinary and 'B' Ordinary shares constitute separate classes, but rank pari passu except:

The 'B' Ordinary shareholders are not entitled to dividends;

Each 'A' Ordinary shareholder is entitled to be a Director of the Company;

The holder of the majority of 'B' Ordinary shares is entitled to appoint and maintain one person as a Director of the Company and to remove that person and appoint another.

6. PROFIT AND LOSS ACCOUNT	£
As at 1 June 1999	(13,541)
Loss for the year	(100,000)
As at 31 May 2000	<u>(113,541)</u>

7. RECONCILIATION OF SHAREHOLDERS FUNDS	2000	1999
	£	£
Net movement in shareholders' funds	(13,541)	-
Opening shareholders' funds	(100,000)	(100,000)
Closing shareholders' funds	<u>(113,541)</u>	<u>(100,000)</u>

**PENTA GROUP PLC**  
**NOTES TO THE BALANCE SHEET**  
**Year ended 31 May 2000**

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**8. ULTIMATE PARENT COMPANY**

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 Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.

The Company has 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 all of the equity share capital of the Company.