

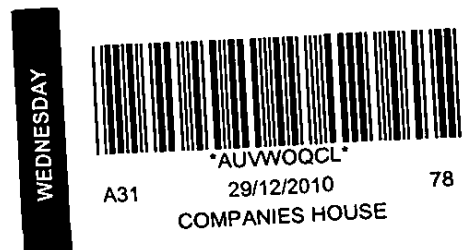
Company Registration Number 2801072

The Frustum Group (Europe) Limited

Report and financial statements

For the year ended

31 May 2010



The Frustum Group (Europe) Limited
Company registration number 2801072

Directors' report for the year ended 31 May 2010

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

Principal activities

The Company is a non trading subsidiary within the Misys Group. No significant change in the activity of the Company is envisaged in the forthcoming year.

This report has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies exemption.

Results & 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 payment of a final dividend (2009 £nil). A profit of £2,000 (2009 £nil) was transferred to reserves.

Directors

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

K Hughes	(resigned 29 June 2010)
Misys Corporate Director Limited	
N Farrimond	(appointed 29 June 2010)
T Homer	(appointed 29 June 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.

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.

The Frustum Group (Europe) Limited
Directors' report for the year ended 31 May 2010

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
13 December 2010

Independent Auditors' Report to the members of The Frustum Group (Europe) Limited

We have audited the financial statements of The Frustum Group (Europe) Limited 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 Directors' Responsibilities Statement set out on page 1, 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 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.

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 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 Auditors' Report to the members of

The Frustum Group (Europe) Limited

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, or
- the Directors were not entitled to prepare the Directors' report in accordance with the small company regime



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

The Frustum Group (Europe) Limited

Profit and loss accounts for the year ended 31 May 2010

	Note	2010 £'000	2009 £'000
Other operating income		<u>3</u>	<u>-</u>
Profit on ordinary activities before taxation	2	3	-
Tax charge on profit on ordinary activities	3	<u>(1)</u>	<u>-</u>
Profit for the financial year	7	<u>2</u>	<u>-</u>

The notes to the financial statements are on pages 7 to 9

The results for the years reflect continuing operations

There were no recognised gains or losses for the year other than those disclosed in the profit and loss account 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 profit for the financial year stated above and their historical cost equivalents.

The Frustum Group (Europe) Limited

Balance sheet as at 31 May 2010

	Note	2010 £'000	2009 £'000
Current assets			
Debtors amounts falling due within one year	4	34	35
Creditors: amounts falling due within one year	5	(1)	(4)
Net current assets		<u>33</u>	<u>31</u>
Creditors: amounts falling due after one year	5	(2,630)	(2,630)
Net liabilities		<u>(2,597)</u>	<u>(2,599)</u>
Capital and reserves			
Share capital	6	-	-
Profit and loss account	7	(2,597)	(2,599)
Equity shareholder's deficit	8	<u>(2,597)</u>	<u>(2,599)</u>

The financial statements on pages 5 to 9 were approved by the Board of Directors on 13 December 2010 and signed on its behalf by



N Farrimond
Director

The Frustum Group (Europe) Limited

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

Going concern

The Company has a deficiency of shareholders' funds. A letter of support has been received from the ultimate parent company, Misys plc, stating that it will provide continuing financial support as necessary to enable the Company to meet its obligations as and when they fall due, for a period of at least 12 months from the date of this report. Accordingly, the Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

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 FRS 1 (revised 1996) 'Cash Flow Statements'.

The Company has also taken advantage of the exemption under FRS 8 'Related party disclosures' 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 borne by a fellow subsidiary. The Directors' services to this Company are of non-executive nature and as such their emoluments are deemed to be wholly attributable to their services to other group companies. There were no employees in the year (2009: none).

The Frustum Group (Europe) Limited

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

3. Tax on profit on ordinary activities

	2010 £'000	2009 £'000
Current tax		
UK corporation tax (charge) credit on profit for the financial year	<u>(1)</u>	<u>-</u>
The tax assessed for the current year is equal (2009 equal) to 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	<u>3</u>	<u>-</u>
Current tax credit for the year on loss on ordinary activities at the standard rate of UK tax of 28% (2009 28%)	<u>(1)</u>	<u>-</u>
Current tax (charge) credit for the year	<u>(1)</u>	<u>-</u>
Deferred tax asset		
Accelerated capital allowances	<u>51</u>	<u>51</u>
Deferred tax asset	<u>51</u>	<u>51</u>

These deferred tax assets have not been recognised as their use is uncertain or is not currently anticipated due to insufficient suitable profits within the Group

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. Debtors

	2010 £'000	2009 £'000
Amounts falling due within one year		
Amounts owed by group undertakings	<u>34</u>	<u>35</u>

Amounts due from group undertakings are unsecured, interest free and payable on demand

5. Creditors

	2010 £'000	2009 £'000
Amounts falling due within one year		
Corporation tax	1	-
Accruals and deferred income	<u>-</u>	<u>4</u>
	<u>1</u>	<u>4</u>
Amounts falling due after one year		
Amounts due to group undertakings	<u>2,630</u>	<u>2,630</u>

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

The Frustum Group (Europe) Limited

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

6 Called up share capital

	2010	2009
	£	£
Authorised		
10,000 (2009 10,000) Ordinary shares of US\$1 each	<u>6,600</u>	<u>6,600</u>
Allotted and fully paid		
100 (2009 100) Ordinary shares of US\$1 each	<u>66</u>	<u>66</u>

The share capital has been translated into sterling at the exchange rate ruling at the date of issue of the shares

7. Reserves

	Profit and loss account £'000
At 1 June 2009	(2,599)
Profit for the financial year	<u>2</u>
At 31 May 2010	<u>(2,597)</u>

8. Reconciliation of movements in shareholders' deficit

	2010 £'000	2009 £'000
Opening shareholders' deficit	(2,599)	(2,599)
Profit for the financial year	<u>2</u>	<u>-</u>
Closing shareholders' deficit	<u>(2,597)</u>	<u>(2,599)</u>

9. Ultimate parent company

The Company's immediate parent company is Misys International Banking Systems Inc, a company registered in the United States of America

The parent company of both the largest and smallest group in which The Frustum Group (Europe) Limited 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 Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF14 3UZ