

Company Registration Number 03458083

IFA NETWORK CONSULTANCY SERVICES LIMITED

Report and Financial Statements

30 September 2000



IFA NETWORK CONSULTANCY SERVICES LIMITED

DIRECTORS' REPORT

The Directors present their annual report and audited financial statements for the year ended 30 September 2000.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company continues to be that of providing compliance and support services to independent financial advisers.

The company's balance sheet as detailed on page 6 shows a satisfactory position, with shareholders' funds amounting to £25,000.

The company was acquired by Misys plc on 30 May 2000.

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 for the year (1999 : £Nil).

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 the parent company, i.e. group plc, were as follows:

	i.e.group plc	
	Ordinary shares of 10p	
	2000	1999 or date of appointment
N P Ansell	#	#
K J Budge (appointed 30 May 2000)	-	-
A J R Collins (appointed 14 December 1999 and resigned 30 May 2000)	-	-
I Martin (appointed 30 May 2000)	#	#
R H W Robson (resigned 14 December 1999)	-	-
P R Trueman (resigned 30 May 2000)	-	-

N P Ansell exercised 250,000 options at an exercise price of 30p in June 2000.

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	
	2000	1999 or date of appointment
N P Ansell	#	#
K J Budge (appointed 30 May 2000)	-	-
A J R Collins (appointed 14 December 1999 and resigned 30 May 2000)	-	-
I Martin (appointed 30 May 2000)	#	#
R H W Robson (resigned 14 December 1999)	-	-
P R Trueman (resigned 30 May 2000)	-	-

N P Ansell and I Martin are directors of the parent company, i.e. group plc, and their interest in shares, share option schemes and share incentive plans of Misys plc are shown in the financial statements of that company.

IFA NETWORK CONSULTANCY SERVICES LIMITED

DIRECTORS' REPORT

The options held by Directors over shares of the ultimate parent company, Misys plc, were as follows:

	Performance related options	Non- Performance related options	Savings related options	2000 Total	1999 or date of appointment Total
K J Budge	22,146	-	3,520	25,666	0

K J Budge was granted 20,000 performance-related options at an exercise price of 658p per share on 4 August 2000 and 2,146 performance related options at an exercise price of 694p per share on 9 October 2000.

K J Budge subscribed for 3,520 savings related options at an exercise price of 522p per share on 29 August 2000.

No director had any interest in shares of the company or any other group undertaking except as disclosed above.

PAYMENTS TO SUPPLIERS

It is the Company's policy to agree terms and conditions for its business transactions with its suppliers. The Company seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

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 January 2001 and signed on its behalf by:



K BUDGE, Director

IFA NETWORK CONSULTANCY SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 period 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.

IFA NETWORK CONSULTANCY SERVICES LIMITED

AUDITORS' REPORT

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. 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 Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

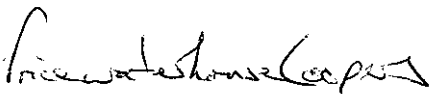
Basis of opinion

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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2000 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
10 Bricket Road
St Albans
Herts
AL1 3JX

26 January 2001

IFA NETWORK CONSULTANCY SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
Year ended 30 September 2000

	Note	2000 £'000	1999 £'000
TURNOVER	1	100	95
Cost of sales		(95)	(51)
GROSS PROFIT		5	44
Administrative expenses		(16)	(23)
OPERATING (LOSS) / PROFIT	2	(11)	21
Interest receivable and similar income		-	2
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(11)	23
Tax on (loss) / profit on ordinary activities	3	2	(9)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(9)	14
Dividends		-	-
(LOSS) / PROFIT FOR THE YEAR	9	(9)	14

The results for the year reflect trading from continuing operations. There are no gains and losses for the years other than the result for the financial years above. Accordingly, no statement of total recognised gains and losses is given.

IFA NETWORK CONSULTANCY SERVICES LIMITED
BALANCE SHEET
30 September 2000

	Note	2000 £'000	1999 £'000
FIXED ASSETS			
Tangible fixed assets	5	-	6
CURRENT ASSETS			
Debtors	6	20	53
Cash at bank and in hand		28	1
		<u>48</u>	<u>54</u>
CREDITORS: amounts falling due within one year	7	(23)	(26)
		<u>25</u>	<u>28</u>
NET CURRENT ASSETS			
		<u>25</u>	<u>28</u>
NET ASSETS		<u>25</u>	<u>28</u>
CAPITAL AND RESERVES			
Share capital	8	-	-
Profit and loss account	9	25	34
		<u>25</u>	<u>34</u>
EQUITY SHAREHOLDERS' FUNDS	10	<u>25</u>	<u>34</u>

Approved by the Board of Directors on 26 January 2001 and signed on its behalf by


K BUDGE, Director

IFA NETWORK CONSULTANCY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2000

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover, represents the amount derived from the provision of services which fall within the company's ordinary activities.

Deferred taxation

Deferred taxation is calculated using the liability method on all timing differences, at the rate at which it is anticipated the timing difference will reverse. Deferred taxation assets are only recognised if recovery without replacement by equivalent debit balances is reasonably certain.

Pensions

The Company operates a defined contribution pension scheme covering some of its employees. The costs of the pension scheme are charged to the profit and loss account as incurred.

Tangible fixed assets

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset, on a straight line basis over its expected useful life. The rates applied from the date of purchase are:

Furniture, fittings & equipment	25%
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Leases

Fixed assets held under finance leases are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under leases are included as liabilities in the balance sheet. The interest elements of the lease obligations are charged to the profit and loss account over the period of the leases. Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

2. OPERATING (LOSS) / PROFIT

	2000 £'000	1999 £'000
Operating (loss) / profit is arrived at after charging:		
Depreciation on owned assets	6	1
Operating leases- plant and machinery	2	5
Auditors' remuneration	<u>-</u>	<u>1</u>

IFA NETWORK CONSULTANCY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2000

3. TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES

	2000 £'000	1999 £'000
Corporation tax at 30% (1999 : 20%)	(2)	7
Under provision in previous years	-	2
	<u>(2)</u>	<u>9</u>

4. DIRECTORS AND EMPLOYEES

The average number of staff employed by the company was as follows:

	2000 Number	1999 Number
Management and administration	-	1

Employee costs during the year amounted to:

	2000 £'000	1999 £'000
Wages and salaries	6	10
Social security costs	1	1
Other pension costs	-	1
	<u>7</u>	<u>12</u>

5. TANGIBLE FIXED ASSETS

	Furniture, fittings and equipment £'000
Cost	
As at 1 October 1999	9
Group transfers	(9)
As at 30 September 2000	<u>-</u>
Accumulated depreciation	
As at 1 October 1999	3
Charge for the year	6
Group transfers	(9)
As at 30 September 2000	<u>-</u>
Net book value	
As at 30 September 2000	<u>-</u>
As at 30 September 1999	<u>6</u>

IFA NETWORK CONSULTANCY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2000

6. DEBTORS

	2000	1999
	£'000	£'000
Debtors due within one year		
Trade debtors	-	5
Amounts owed by group undertakings	-	2
Corporation tax recoverable	2	-
Other debtors	-	2
Prepayments and accrued income	18	44
	<u>20</u>	<u>53</u>

7. CREDITORS

	2000	1999
	£'000	£'000
Amounts falling due within one year		
Amounts owing to group undertakings	23	25
Accruals and deferred income	-	1
	<u>23</u>	<u>26</u>

8. SHARE CAPITAL

	2000	1999
	£'000	£'000
Authorised		
50,000 (1999 : 50,000) Ordinary shares of £1 each	<u>50</u>	<u>50</u>
 Allotted and fully paid		
2 (1999 : 2) Ordinary shares of £1 each	<u>-</u>	<u>-</u>

9. PROFIT AND LOSS ACCOUNT

	£'000
At 1 October 1999	34
Loss for the year	(9)
At 30 September 2000	<u>25</u>

IFA NETWORK CONSULTANCY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2000

10. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2000	1999
	£'000	£'000
(Loss) / profit for the financial year	(9)	14
Opening shareholders' funds	34	20
Closing shareholders' funds	<u>25</u>	<u>34</u>

11. FINANCIAL COMMITMENTS

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

	2000	Other	1999
	£'000		£'000
Operating leases which expire:			
Within one year	-		5
	<u>-</u>		<u>5</u>

12. ULTIMATE PARENT COMPANY AND GROUP TRANSACTIONS

The Company's ultimate parent company is Misys plc, a company registered in England. 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.