

Company Registration Number 4198563

MISYS (UK) INVESTMENTS

Report and Financial Statements

For the year ended 31 May 2002



MISYS (UK) INVESTMENTS

DIRECTORS' REPORT

The Directors present their annual report and audited financial statements for the year ended 31 May 2002.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

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

RESULTS AND DIVIDENDS

The results of the Company for the period are set out in detail on page 4. No interim dividend was paid (2001 : £nil). The Directors do not recommend the payment of a final dividend (2001 : £nil).

DIRECTORS AND THEIR INTERESTS

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

	Misys plc	
	Ordinary shares of 1p each	
	2002	2001
H Evans	*	*
P S S Macpherson	*	*

* H Evans and P S S Macpherson are Directors of the ultimate parent company, Misys plc, and their interest in shares, share options and share plans are shown in the financial statements of that company.

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 6 August 2002 and signed on its behalf by



H. EVANS, DIRECTOR

MISYS (UK) INVESTMENTS
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 period 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 that disclose with reasonable accuracy at any time the financial position of the Company;

Safeguard the assets of the Company;

Take reasonable steps to prevent and detect fraud and other irregularities; and,

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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MISYS(UK) INVESTMENTS**

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board.

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 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 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 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 31 May 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London

6 August 2002

**MISYS (UK) INVESTMENTS
PROFIT AND LOSS ACCOUNT**

Year ended 31 May 2002

	Note	2002 £000	2001 £000
Other operating income / (charges)	2	11,101	(2,623)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>11,101</u>	<u>(2,623)</u>
Tax on profit on ordinary activities	3	(3,300)	-
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT / (LOSS) FOR THE FINANCIAL PERIOD	7	<u><u>7,801</u></u>	<u><u>(2,623)</u></u>

All operations are continuing. There were no gains or losses for the periods shown apart from those disclosed in the profit and loss account, accordingly, no statement of total recognised gains and losses is given. All costs including auditors' remuneration have been borne by a fellow subsidiary for both current and prior period. There were no employees in either period and no Directors received any remuneration through the company in respect of qualifying services.

**MISYS (UK) INVESTMENTS
BALANCE SHEET**

31 May 2002

	Note	2002 £000	2001 £000
CURRENT ASSETS			
Debtors	4	38,358	66,447
CREDITORS: amounts falling due within one year	5	(3,300)	-
NET CURRENT ASSETS AND TOTAL ASSETS LESS CURRENT LIABILITIES		<u>35,058</u>	<u>66,447</u>
CAPITAL AND RESERVES			
Called up share capital	6	29,880	-
Share premium account	7	-	69,070
Profit and loss account	7	5,178	(2,623)
EQUITY SHAREHOLDERS' FUNDS	8	<u>35,058</u>	<u>66,447</u>

Approved by the Board of Directors on 6 August 2002 and signed on its behalf by



H Evans, Director

MISYS (UK) INVESTMENTS NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 May 2002

1. ACCOUNTING POLICIES

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 FRS1 (revised 1996).

Accounting convention

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

Date of incorporation

The company was incorporated on 11 April 2001 and therefore figures presented for the comparative period are for the period from 11 April 2001 to 31 May 2001.

Foreign currencies

Assets and liabilities denominated in foreign currencies are converted at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are converted at the rate ruling at the date of each transaction. Exchange differences are included in the profit and loss account where they relate to trading transactions.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax in the future.

Resultant deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

2. OPERATING PROFIT / (LOSS)

The operating profit/(loss) is entirely related to foreign exchange gains and losses.

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002 £000	2001 £000
Tax on profit/(loss) on ordinary activities	<u>3,300</u>	<u>-</u>
The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The difference is explained below :-		
Profit/(loss) on ordinary activities before tax	<u>11,101</u>	<u>(2,623)</u>
Tax on profit/(loss) on ordinary activities at the standard rate of UK corporation tax of 30%	3,330	(787)
Group relief not paid for	-	787
Effects of other adjustments	(30)	-
Current tax for the period	<u>3,300</u>	<u>-</u>

MISYS (UK) INVESTMENTS
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 May 2002

4. DEBTORS

	2002	2001
	£000	£000
Amounts due from group undertakings falling due within one year	<u>38,358</u>	<u>66,447</u>

5. CREDITORS: Amounts falling due within one year

	2002	2001
	£000	£000
Corporation tax payable	<u>3,300</u>	<u>-</u>

6. CALLED UP SHARE CAPITAL

	2002	2001
	£000	£000
Authorised		
542,069,998 Ordinary shares of £1 each (2001 : 100)	<u>542,070</u>	<u>-</u>
Allotted, issued and fully paid		
29,879,615 Ordinary shares of £1 each (2001 : 100)	<u>29,880</u>	<u>-</u>

During the year 542,069,898 £1 Ordinary shares were issued at par. 211,260,167 £1 Ordinary shares were redeemed at par and a further 300,930,216 shares were redeemed at £1.22952 per share.

7. RESERVES

	2002
	£000
PROFIT AND LOSS ACCOUNT	
As at 01 June 2001	(2,623)
Profit for the financial period	7,801
As at 31 May 2002	<u>5,178</u>
SHARE PREMIUM ACCOUNT	
As at 01 June 2001	69,070
Premium redeemed in the financial period	(69,070)
As at 31 May 2001	<u>-</u>

MISYS (UK) INVESTMENTS
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 May 2002

8. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2002	2001
	£000	£000
Opening shareholders' funds	66,447	-
Share capital issued during the year	542,070	-
Share capital redeemed during the year	(512,190)	-
Share premium redeemed	(69,070)	69,070
Profit for the period	7,801	(2,623)
Closing shareholders' funds	<u>35,058</u>	<u>66,447</u>

9. ULTIMATE PARENT COMPANY AND GROUP TRANSACTIONS

The immediate parent company undertaking is Misys International SA. 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.