

Company registration number 04304901

Almonde Limited

Report and financial statements

for the year ended

31 May 2013



Almonde Limited
Company registration number 04304901

Directors' report for the year ended 31 May 2013

The Directors present their annual report and audited financial statements of the Company for the year ended 31 May 2013

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

Principal activities

The principal activity of the Company during the year relates to supplying software and providing software maintenance services to banks and financial institutions. In the opinion of the Directors, the Company has operated satisfactorily during the year and no significant change is expected in the foreseeable future

Results and dividends

The results of the Company for the year are set out on page 5. No interim dividend was paid during the year (2012: £nil). The Directors do not recommend the payment of a final dividend (2012: £nil). The loss of £1,116,000 (2012: profit of £502,000) has been deducted against (transferred to) reserves.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the intermediate parent company Misys Limited. The directors have received confirmation that Misys Limited intend to support the company for at least one year after these financial statements are signed.

Directors

The Directors who held office during the year and up to the date of signing the financial statements are as follows:

Misys Corporate Director Limited (resigned 20 November 2013)
N Farrimond (resigned 6 September 2012)
T Homer
B Patel (appointed 6 September 2012, resigned 31 May 2013)
J Hawkes (appointed 31 May 2013, resigned 1 October 2013)
S Patel (appointed 16 October 2013)
E Collins (appointed 20 November 2013)

Almonde Limited

Directors' report for the year ended 31 May 2013

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 prepared 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, 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 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.

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 intermediate parent company, Misys Newco 2 S à r l, 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 signing of this report.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors and are deemed automatically re-appointed.

On behalf of the Board



E Collins
Director
13 December 2013

Independent Auditors' Report to the members of

Almonde Limited

We have audited the financial statements of Almonde Limited for the year ended 31 May 2013 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 Statement of Directors' Responsibilities set out on page 2, 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 and express an opinion on 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. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its loss 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 requirements of 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

Almonde 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 take advantage of the small companies' exemption in preparing the Directors' Report



Alex Hookway (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
13 December 2013

Almonde Limited

Profit and loss account for the year ended 31 May 2013

	Note	2013 £'000	2012 £'000
Turnover	2	<u>44</u>	<u>58</u>
Gross profit		44	58
Administrative expenses		<u>(255)</u>	<u>(450)</u>
Loss on ordinary activities before taxation	3	(211)	(392)
Tax on loss on ordinary activities	4	(905)	894
(Loss) profit for the financial year	8	<u>(1,116)</u>	<u>502</u>

The notes to the financial statements are on pages 7 to 11

The results for the years reflect trading from continuing operations

There were no recognised gains and losses for the years other than those for the financial years stated above. Accordingly, no statement of total recognised gains and losses is given.

There is no material difference between the loss on ordinary activities before taxation and the (loss) profit for the financial years stated above and their historical cost equivalents.

Almonde Limited
Balance sheet as at 31 May 2013

	Note	2013 £'000	2012 £'000
Current assets			
Debtors			
- amounts falling due within one year	5	350	253
- amounts falling due after more than one year	5	40	935
Cash at bank and in hand		3	3
		<u>393</u>	<u>1,191</u>
Creditors amounts falling due within one year	6	<u>(1,569)</u>	<u>(2,563)</u>
Net current liabilities		<u>(1,176)</u>	<u>(1,372)</u>
Total assets less current liabilities		<u>(1,176)</u>	<u>(1,372)</u>
Creditors amounts falling due after more than one year	6	<u>(2,383)</u>	<u>(1,071)</u>
Net liabilities		<u><u>(3,559)</u></u>	<u><u>(2,443)</u></u>
Capital and reserves			
Called up share capital	7	-	-
Profit and loss account (deficit)	8	<u>(3,559)</u>	<u>(2,443)</u>
Total shareholders' deficit	9	<u><u>(3,559)</u></u>	<u><u>(2,443)</u></u>

The financial statements on pages 5 to 11 were approved by the Board of Directors on 13 December 2013 and signed on its behalf by



T Homer
Director

Almonde Limited – Registered number 04304901

Almonde Limited

Notes to the financial statements for the year ended 31 May 2013

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 capital. A letter of support has been received from the intermediate parent company, Misys Limited 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.

Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Misys Newco 2 S à r l and is included in the consolidated financial statements of Misys Newco 2 S à r l 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 Newco 2 S à r l is the owner of the entire equity share capital of the Company.

Turnover

Turnover represents the fair value of consideration received or receivable from clients for goods and services provided by the Group, net of discounts and sales taxes. Turnover is recognised when a legal right to consideration exists, delivery to a customer has occurred with no significant vendor obligations remaining and where the collection of the resulting receivable is considered probable.

Where these circumstances exist but no invoice to the customer has been raised, under the terms of the contracts, turnover is recognised but the corresponding receivable is shown as accrued income on the balance sheet.

Initial licence fees ('ILF') are the turnover generated when Misys sells the right to use a software product, including significant upgrades, and when a fee is payable for a significant variation of an existing product. ILF from sales of standard, unmodified software are recognised when a legal right to consideration exists, software has passed internal quality checks and is deemed generally available, delivery to a customer has occurred with no significant vendor obligations remaining and where the collection of the resulting receivable is considered probable. In instances where a significant vendor obligation exists, turnover recognition is delayed until the obligation has been satisfied. No turnover is recognised for multiple deliveries or multiple element products if an element of the contract remains undelivered and is essential to the functionality of the elements already delivered.

Licence and installation fees from sales of standard software sold on an Application Service Provider (ASP) model are recognised over the expected life of the contract.

Turnover from services, such as implementation, training and consultancy, is recognised as the services are performed. In certain circumstances, the percentage of completion method is used to determine the degree of completion of a contract. This involves a comparison of the costs incurred on the contract to date with the total expected costs of the contract. Losses on contracts are recognised as soon as a loss is foreseen by reference to the estimated costs of completion.

Initial licence fees on sales of bespoke or heavily customised software, together with turnover from the associated professional services contract, are recognised on a percentage of completion basis over the period from the commencement of performance on the contract to customer acceptance.

Almonde Limited

Notes to the financial statements for the year ended 31 May 2013

Maintenance fees are recognised rateably over the period of the contract. Turnover from Electronic Data Interchange (EDI) and remote processing services (transaction processing) is recognised as the services are performed.

Deferred income

Deferred maintenance fees represent amounts invoiced in advance for contracts which provide technical support and trouble shooting assistance in addition to upgrades and enhancements to the Group's software products and hardware maintenance.

Maintenance fees are recognised as turnover rateably as the services are provided over the period of the contract. Other deferred income represents amounts invoiced, including deposits, primarily in respect of initial licence fees for software products and professional services for which the turnover recognition criteria are yet to be satisfied.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date or at rates specified in related forward contracts. Transactions in foreign currencies are translated at the rate ruling at the date of each transaction or at rates specified in related forward contracts. Exchange differences arising from settlement of trading indebtedness are included in the profit and loss account as incurred.

Taxation

Current tax for the current and prior years 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.

2. Turnover

Turnover is all derived from sales in Europe.

Turnover by activity is as follows:

	2013 £'000	2012 £'000
Initial license fees	-	28
Maintenance	44	30
	<u>44</u>	<u>58</u>

3. Loss on ordinary activities before taxation

Auditors' remuneration for the year is £5,600 (2012: £10,800). Remuneration of the Directors has been borne by a fellow subsidiary as was the case in the prior year. 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 (2012: nil).

Almonde Limited

Notes to the financial statements for the year ended 31 May 2013

4. Tax on loss on ordinary activities

	2013 £'000	2012 £'000
Current tax		
UK corporation tax on loss for the year	-	-
Withholding taxes	(11)	-
Total current tax	<u>(11)</u>	<u>-</u>
Deferred tax		
Deferred tax (charge) credit	(894)	894
Tax charge on loss on ordinary activities	<u>(905)</u>	<u>894</u>

The tax credit assessed for the year is lower (2012 lower) than the standard rate of corporation tax in the UK of 23.83% (2012 25.7%). The differences are explained below

	2013 £'000	2012 £'000
Current tax		
Loss on ordinary activities before tax	<u>(211)</u>	<u>(392)</u>
Tax on loss on ordinary activities at the standard rate of UK tax of 23.83% (2012 25.7%)	50	101
Non taxable income	3	-
Irrecoverable withholding tax	(11)	-
Group relief surrendered for nil consideration	-	(101)
Current year tax losses not recognised	(63)	-
Tax adjustment on inter-company transactions	10	-
Current tax credit for the year	<u>(11)</u>	<u>-</u>

Changes to the UK corporation tax rate were announced in the March 2012 Budget, including a reduction to the UK main corporation tax rate from 26% to 24% which became effective on 1 April 2012 and was substantively enacted on 26 March 2012. A further reduction to 23% is effective from 1 April 2013 and was substantively enacted on 3 July 2012. The March 2013 Budget announced further changes which are expected to be enacted separately each year and propose to reduce the UK corporation tax rate to 20% by 1 April 2015 with the reduction to 21% effective from 1 April 2014.

Almonde Limited

Notes to the financial statements for the year ended 31 May 2013

5. Debtors

	2013 £'000	2012 £'000
Amounts falling due within one year		
Amounts owed by group undertakings	350	243
Withholding tax	-	10
	<u>350</u>	<u>253</u>
Amounts falling due after more than one year		
Amounts owed by group undertakings	40	41
Deferred tax	-	894
	<u>40</u>	<u>935</u>

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand. However, payment of £40,000 (2012: £41,000) is not expected within the short term and so these amounts are classified as non-current assets.

Recognised deferred tax asset

	2013 £'000	2012 £'000
Opening balance	894	-
(Charge) credit for the year	(894)	894
Closing balance	<u>-</u>	<u>894</u>
Represented by		
Accelerated capital allowances	-	3
Tax losses carried forward	-	891
Deferred tax asset	<u>-</u>	<u>894</u>

The following 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:

	2013 £'000	2012 £'000
Tax losses carried forward	919	-
Accelerated capital allowances	3	-
	<u>922</u>	<u>-</u>

6. Creditors

	2013 £'000	2012 £'000
Amounts falling due within one year		
Amounts owed to group undertakings	1,544	2,534
Accruals and deferred income	25	29
	<u>1,569</u>	<u>2,563</u>
Amounts falling due after more than one year		
Amounts owed to group undertakings	<u>2,383</u>	<u>1,071</u>

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand. However, payment of £2,383,000 (2012: £1,071,000) is not expected within the short term and so these amounts are classified as non-current liabilities.

Almonde Limited

Notes to the financial statements for the year ended 31 May 2013

7. Called up share capital

	2013 £	2012 £
Authorised		
1,000 (2012 1,000) Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted and fully paid		
1 (2012 1) Ordinary share of £1 each	<u>1</u>	<u>1</u>

8. Profit and loss account (deficit)

	£'000
At 1 June 2012	(2,443)
Loss for the financial year	<u>(1,116)</u>
At 31 May 2013	<u>(3,559)</u>

9. Reconciliation of movements in shareholders' deficit

	2013 £'000	2012 £'000
(Loss) profit for the financial year	(1,116)	502
Opening shareholders' deficit	<u>(2,443)</u>	<u>(2,945)</u>
Closing shareholders' deficit	<u>(3,559)</u>	<u>(2,443)</u>

10. Ultimate parent company

The Company's immediate parent company is Misys International Banking Systems Limited

The parent company of the smallest group in which the Company is included in consolidated financial statements is that of Misys Newco 2 S à r l. The parent company of the largest group in which the Company is included in consolidated financial statements is that of Misys Newco S à r l.

Copies of the group financial statements of Misys Newco 2 S à r l and Misys Newco S à r l may be obtained from the Misys Group Secretariat, One Kingdom Street, Paddington, London W2 6BL.

The ultimate parent undertaking and controlling party is VEPF IV AIV II L P, a limited partnership incorporated in the Cayman Islands.