

Company registration number 4314360

Misys Portfolio Holdings Limited

Report and financial statements

for the year ended

31 May 2010



Misys Portfolio Holdings Limited
Company registration number 4314360

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 and review of the business

The Company acts as a finance company within the Misys Group. The Company will act as an intermediate holding company in Misys Group in future. Some of the changes in the activities are given in note 10. The Directors believe that the Company has operated satisfactorily during the period.

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 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 (2009: £nil). Losses of £2.7m (2009: £nil) have been withdrawn from reserves.

Directors

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

R Johnson	(resigned 31 July 2009)
T Homer	(appointed 31 July 2009)
R Thorp	(resigned 8 September 2010)
Misys Corporate Director Limited	(resigned 8 September 2010)
N Farrimond	(appointed 8 September 2010)
S Wilson	(appointed 8 September 2010)
J Hawkes	(appointed 8 September 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.

Misys Portfolio Holdings 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.

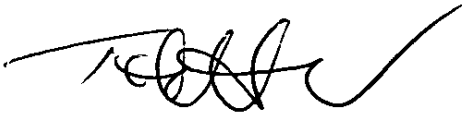
Directors' indemnities

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



T Homer
Director
13 December 2010

Independent Auditors' Report to the members of

Misys Portfolio Holdings Limited

We have audited the financial statements of Misys Portfolio Holdings 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 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 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 Misys Portfolio Holdings 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

Misys Portfolio Holdings Limited

Profit and loss account for the year ended 31 May 2010

	Note	2010 £'000	2009 £'000
Result of ordinary activities before taxation		-	-
Tax charge on result on ordinary activities	3	(2,653)	-
Loss for the financial year	7	<u>(2,653)</u>	<u>-</u>

The notes to the financial statements are on pages 7 to 10

The results for the years reflect continuing operations

There were no recognised gains or losses for the years other than the losses 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 for the financial years stated above and their historical cost equivalents.

Misys Portfolio Holdings Limited

Balance sheet as at 31 May 2010

	Note	2010 £'000	2009 £'000
Current assets			
Debtors amounts falling due after more than one year	4	87,267	87,267
Creditors amounts falling due within one year	5	(2,653)	-
Net current assets		<u>84,614</u>	<u>87,267</u>
Net assets		<u>84,614</u>	<u>87,267</u>
Capital and reserves			
Called up share capital	6	79,160	79,160
Profit and loss account	7	5,454	8,107
Total shareholders' funds	8	<u>84,614</u>	<u>87,267</u>

The financial statements on pages 5 to 10 were approved by the Board of Directors on 13 December 2010 and signed on its behalf by



N Farrimond
Director

Misys Portfolio Holdings 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.

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.

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 operating profit.

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.

2. Operating loss

Remuneration of the auditors and 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 (2009: nil).

Misys Portfolio Holdings Limited

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

3. Tax on loss on ordinary activities

	2010 £'000	2009 £'000
Current tax		
UK corporation tax charge for the current year	<u>(2,653)</u>	<u>-</u>

The tax assessed for the year is higher than (2009 equal to) the standard rate of corporation tax in the UK of 28% (2009 28%). The difference is explained below

	2010 £'000	2009 £'000
Loss on ordinary activities before tax	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities at the standard rate of UK corporation tax of 28% (2009 28%)	-	-
Non deductible expenditure	<u>(2,653)</u>	<u>-</u>
Current tax charge for the year	<u>(2,653)</u>	<u>-</u>

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.

Deferred tax assets of £nil (2009 £5.3m) relating to tax losses carried forward have not been recognised in the financial statements as their use is uncertain or is not currently anticipated due to insufficient suitable profits within the Group.

4. Debtors

	2010 £'000	2009 £'000
Amounts falling due after more than one year		
Amounts owed by group undertakings	<u>87,267</u>	<u>87,267</u>

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand. The Company however has no immediate intention to recall these loans in the short term thus these are classified as non-current.

5. Creditors

	2010 £'000	2009 £'000
Corporation tax	<u>2,653</u>	<u>-</u>

Misys Portfolio Holdings Limited

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

6. Called up share capital

	2010 £'000	2009 £'000
Authorised		
198,500,000 (2009 198,500,000) ordinary shares of £100 each	19,850,000	19,850,000
1,500,000 (2009 1,500,000) ordinary shares of £100 each (£0.01 paid)	150,000	150,000
	<u>20,000,000</u>	<u>20,000,000</u>
Allotted and partly paid		
1,500,001 (2009 1,500,001) ordinary shares of £100 each	<u>79,160</u>	<u>79,160</u>

7. Reserves

	Profit and loss account £'000
At 1 June 2009	8,107
Loss for the financial year	(2,653)
At 31 May 2010	<u>5,454</u>

8. Reconciliation of movements in shareholders' funds

	2010 £'000	2009 £'000
Opening shareholders' funds	87,267	87,267
Loss for the financial year	(2,653)	-
Closing shareholders' funds	<u>84,614</u>	<u>87,267</u>

9. Ultimate parent company

The Company's immediate and ultimate parent company is Misys plc

The parent company of both the largest and smallest group in which Misys Portfolio Holdings Limited is included in consolidated accounts is that of 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

10. Post balance sheet events

Following the disposal of Allscripts-Misys Healthcare Solutions, Inc the Misys Group has undertaken a corporate restructuring project. As part of this project, the Company has undertaken the following transactions

On 30th July 2010, Misys plc transferred the entire issued share capital (being 2 ordinary shares of £1.00 each) of Misys Services Limited to Misys Portfolio Holdings Limited (MPHL). In exchange, MPHL would issue 1,000,000 ordinary shares of £100 each in MPHL at a premium of £900.00 per share

Misys Portfolio Holdings Limited

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

On 30th July 2010, MPHL purchased the entire issued share capital of the following companies

Company	Number of issued ordinary shares	Par Value of each ordinary share	Number of shares issued in consideration of purchase of share capital
Misys Eagleye Limited	15,260	£0 10	1
Misys Nominees Limited	100	£1 00	1
Quarterback (Jersey 2008) Limited	100	Nil	1

17 September 2010

The Company reduced its share premium by £900 million following which this amount was transferred to distributable reserves

24 September 2010

The Company declared a dividend of £600 million to Misys plc, in consideration for which the Company distributed in specie the right to receive £600 million of its inter-company receivable from Misys plc

26 November 2010

Pursuant to certain interest free intercompany loan arrangements between the Company and Misys plc, the Company owed Misys plc the sum of £586,548,765 68 (the Misys loan) Misys Portfolio Holdings Limited issued 3,750,000 ordinary shares of £100 each in the capital of Misys Portfolio Holdings Limited at par to Misys plc and immediately applied the proceeds to reduce the Company's liability under the Misys loan by £375,000,000

As a result of the subscription the Company's outstanding obligation in respect of the Misys loan would be £211,548,765 68

As a result of an interim cash dividend declared by Misys Services Limited, the Company had received £5,974,247 The proceeds from the dividend were used to partially repay the Misys loan, such that the outstanding balance under the Misys loan would be £205,574,518 68