

Company registration number 04314360

Misys Portfolio Holdings Limited

Report and financial statements

for the year ended

31 May 2014

WEDNESDAY



A3YLC9ZK

A20

07/01/2015

#275

COMPANIES HOUSE

Misys Portfolio Holdings Limited
Company registration number 04314360

Strategic report for the year ended 31 May 2014

The Directors present their strategic report of Misys Portfolio Holdings Limited ("the Company") for the year ended 31 May 2014.

Review of business

The Company acts as an intermediate holding and financing company in the Misys Newco 2 S.à r.l. group of companies (the "Group"). The Company reported a profit of £11,908,000 during the year compared to £11,300,000 in the prior year. This increase in profit is driven by the write off of deferred tax assets reported in the prior year as well as the receipt of a dividend partially offset by amounts written off investments.

The Directors believe that the Company has operated satisfactorily during the year.

Net assets at 31 May 2014 were £1,126,678,000 compared to £1,114,770,000 at 31 May 2013. This movement was driven by interest accruing on intercompany borrowings.

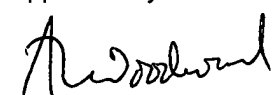
Key performance indicators

The executive management of Misys Newco 2 S.à r.l. manage the Misys Group operations on a group basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of Misys Newco 2 S.à r.l. group ('the Group'), which includes the Company, is discussed on pages 1 to 3 of the Group's Annual Report which does not form part of this report.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of Misys Newco 2 S.à r.l., which include those of the Company, are discussed on pages 4 to 8 of the Group's annual report which does not form part of this report.

Approved by the Board and signed on its behalf by



A Woodward

Director

18 December 2014

Misys Portfolio Holdings Limited
Company registration number 04314360

Directors' report for the year ended 31 May 2014

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 May 2014.

Future developments

No significant change in the principal activities of the Company is expected in the foreseeable future.

Results and dividends

The results of the Company for the year are set out in detail on page 6. No interim dividend (2013: £28,200,000) was paid during the year. The Directors do not recommend payment of a final dividend (2013: £nil). Profits of £11,908,000 (2013: £11,300,000) have been transferred to reserves.

Financial risk management

The Company is exposed to a variety of financial risks including foreign exchange currency risk, credit risk and liquidity risk.

Foreign exchange currency risk

The Company is exposed to foreign currency movements, primarily the US Dollar and the Euro. Foreign exchange risks arise when future commercial transactions and recognised assets and liabilities are denominated in currencies that are not the Company's functional currency.

The Group's net exposure to foreign currency risk is illustrated by the sensitivity analysis on page 55 of the Group's Annual Report.

Credit risk

The Company's principal financial assets are amounts owed by group undertakings. The Group regularly reviews intercompany balances for impairment and, where appropriate, adjustments to the carrying value are made at a subsidiary level.

Liquidity risk

The Company currently has no requirements for external debt finance; sufficient funds for operations are maintained at a group level.

Further details of the group's risk policies are available within the Annual Report of Misys Newco 2 S.à r.l.

Directors

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

T Homer

J Hawkes (resigned 1 October 2013)

E Collins (appointed 1 August 2013, resigned 31 July 2014)

Misys Corporate Director Limited (resigned 2 December 2013)

S Patel (appointed 16 October 2013, resigned 28 August 2014)

J van Harken (appointed 31 July 2014)

A Woodward (appointed 5 September 2014)

Misys Portfolio Holdings Limited

Directors' report for the year ended 31 May 2014

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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.

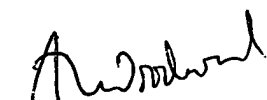
Directors' indemnities

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 this report.

Independent auditors

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

Approved by the Board and signed on its behalf by



A Woodward

Director

18 December 2014

Independent Auditors' Report to the members of Misys Portfolio Holdings Limited

Report on the financial statements

Our opinion

In our opinion, the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 May 2014 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 requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Misys Portfolio Holdings Limited, comprise:

- Balance sheet as at 31 May 2014;
- Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006, we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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 ISAs (UK & 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.



Alex Hookway (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 December 2014

Misys Portfolio Holdings Limited

Profit and loss account for the year ended 31 May 2014

	Note	2014 £'000	2013 £'000
Administrative credit (expenses)		903	(169)
Amounts written off investments	7	<u>(8,116)</u>	<u>-</u>
Operating loss	2	(7,213)	(169)
Income from shares in group undertakings	3	7,794	-
Interest receivable and similar income	4	18,689	29,543
Interest payable and similar charges	4	<u>(7,362)</u>	<u>(16,930)</u>
Profit on ordinary activities before taxation		11,908	12,444
Tax on profit on ordinary activities	5	-	(1,144)
Profit for the financial year	11	<u>11,908</u>	<u>11,300</u>

The notes to the financial statements are on pages 8 to 12.

The results for the years reflect continuing operations.

There were no recognised gains or 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 profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents.

Misys Portfolio Holdings Limited

Balance sheet as at 31 May 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Investments	7	<u>1,000,000</u>	<u>1,008,116</u>
Current assets			
Debtors: amounts falling due after more than one year	8	<u>941,779</u>	<u>936,420</u>
		941,779	936,420
Creditors: amounts falling due within one year	9	<u>(255)</u>	<u>(138)</u>
Net current assets		941,524	936,282
Total assets less current liabilities		1,941,524	1,944,398
Creditors: amounts falling due after more than one year	9	<u>(814,846)</u>	<u>(829,628)</u>
Net assets		<u>1,126,678</u>	<u>1,114,770</u>
Capital and reserves			
Called up share capital	10	625,000	625,000
Profit and loss account	11	501,678	489,770
Total shareholders' funds	12	<u>1,126,678</u>	<u>1,114,770</u>

The financial statements on pages 6 to 12 were approved by the Board of Directors on 18 December 2014 and signed on its behalf by:



A Woodward
Director

Misys Portfolio Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

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 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 intends to support the company for at least one year after these financial statements are signed.

Fixed asset investments

Investments held as fixed assets are stated at cost less provision considered necessary for any impairment.

The need for any impairment write-down for investments or loans to fellow group companies is assessed by comparison of the carrying value of the asset against the recoverable amount. Any impairment losses are immediately charged to profit and loss account.

Cash flow 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 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 Newco 2 S.à r.l. is the 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.

Misys Portfolio Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

Dividend

Dividend income is recognised when the right to receive payment is established. Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividend is approved by the Company's shareholders.

2. Operating loss

Auditors' remuneration in relation to the audit of the statutory financial statements for the year was £5,800 (2013: £5,600). Directors' remuneration has been borne by a fellow subsidiary as was the case in the prior year. The Directors' services to this Company are of a 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 (2013: nil). Operating loss for the year includes foreign exchange gain of £906,000 (2013: loss of £186,000) on intra-group loans.

3. Income from shares in group undertakings

The Company received proceeds from the liquidation of Misys Overseas Investments S.à r.l. during the year (2013: £nil).

4. Net interest receivable

	2014 £'000	2013 £'000
Interest receivable and similar income	18,689	29,543
Interest payable and similar charges	(7,362)	(16,930)
	<u>11,327</u>	<u>12,613</u>

5. Tax on profit on ordinary activities

	2014 £'000	2013 £'000
Current tax	-	-
Deferred tax		
Deferred tax charge	-	(1,144)
Tax charge on profit on ordinary activities	<u>-</u>	<u>(1,144)</u>

Misys Portfolio Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

The tax assessed for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 22.67% (2013: 23.83%). The difference is explained below:

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	11,908	12,444
Tax on profit on ordinary activities at the standard rate of UK corporation tax of 22.67% (2013: 23.83%)	(2,700)	(2,965)
Non-taxable income	1,767	-
Non-deductible expenditure	(1,840)	-
Tax adjustment on intercompany transactions	(1,431)	965
Group relief claimed for nil consideration	4,204	2,000
Current tax charge for the year	-	-

At 31 May 2014 there was no unrecognised deferred tax asset as all brought forward losses were surrendered during the year (2013: £1,163,000 unrecognised asset relating to losses brought forward). The deferred tax asset in the previous year was not recognised as its use was uncertain and was not anticipated due to insufficient suitable profits within the Group.

6. Dividends

	2014 £'000	2013 £'000
Equity - ordinary		
Interim paid – £nil (2013: £5) per £100 share	-	28,200

7. Fixed asset investments

	Shares in subsidiary undertakings £'000
Cost	
At 1 June 2013	1,008,116
Disposals	(8,116)
At 31 May 2014	1,000,000
Provision for impairment	
At 1 June 2013	-
Impairment	(8,116)
Disposals	8,116
31 May 2014	-
Net book value	
At 31 May 2014	1,000,000
At 31 May 2013	1,008,116

Disposal during the year relates to Misys Overseas Investments S.à r.l. which was dissolved during the year.

Misys Portfolio Holdings Limited is the owner of all the equity share capital and voting rights of the following subsidiary undertakings as listed below:

Misys Portfolio Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

Company	Country of incorporation and operation	Principal activities
Misys Nominees Limited	England & Wales	Dormant
Misys Services Limited	England & Wales	An intermediate holding company

The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Misys Newco 2 S.à r.l., a company incorporated in Luxembourg.

In the opinion of the Directors, the carrying value of the Company's investments is not less than their recoverable amounts.

8. Debtors

	2014 £'000	2013 £'000
Amounts falling due after more than one year		
Amounts owed by group undertakings	<u>941,779</u>	<u>936,420</u>

Amounts owed by group undertakings are unsecured and repayable on demand. The Company has no immediate intention to recall these loans in the short term and thus these are classified as amounts falling due after more than one year.

Of the amounts owed by group undertakings above, £766,822,000 (2013: £759,462,000) is interest bearing. £100,000,000 (2013: £100,000,000) of this amount has attracted interest at a fixed rate of 6.5%. £666,822,000 (2013: £659,462,000) of this amount has attracted interest at a floating rate ranging from 3.23% to 3.24% (2013: 3.24% to 3.42%) during the year.

9. Creditors

	2014 £'000	2013 £'000
Amounts falling due within one year		
Amounts owed to group undertakings	<u>255</u>	<u>138</u>
Amounts falling due after more than one year		
Amounts owed to group undertakings	<u>814,846</u>	<u>829,628</u>

Amounts owed to group undertakings are unsecured and are repayable on demand. However payment of £814,846,000 (2013: £829,628,000) is not expected within the short term and so these amounts are classified as amounts falling due after more than one year.

Of the amounts due to group undertakings above, £585,747,000 (2013: £571,476,000) is interest bearing. £100,000,000 (2013: £100,000,000) of this amount has attracted interest at a fixed rate of 6.5%. £485,747,000 (2013: £471,476,000) of this amount has attracted interest at a floating rate ranging from 3.23% to 3.24% (2013: 3.24% to 3.42%) during the year.

Misys Portfolio Holdings Limited

Notes to the financial statements for the year ended 31 May 2014

10. Called up share capital

	2014 £'000	2013 £'000
Authorised		
198,500,000 (2013: 198,500,000) ordinary shares of £100 each	19,850,000	19,850,000
1,500,000 (2013: 1,500,000) ordinary shares of £100 each	150,000	150,000
	<u>20,000,000</u>	<u>20,000,000</u>
Allotted and partly paid		
6,250,004 (2013: 6,250,004) ordinary shares of £100 each	<u>625,000</u>	<u>625,000</u>

During the previous year, 1,500,000 partially paid ordinary shares were fully paid by Misys Limited.

11. Profit and loss account

	£'000
At 1 June 2013	489,770
Profit for the financial year	11,908
At 31 May 2014	<u>501,678</u>

12. Reconciliation of movements in shareholders' funds

	2014 £'000	2013 £'000
Profit for the financial year	11,908	11,300
Dividends paid	-	(28,200)
Full payment of partially paid shares	-	70,840
	<u>11,908</u>	<u>53,940</u>
Opening shareholders' funds	1,114,770	1,060,830
Closing shareholders' funds	<u>1,126,678</u>	<u>1,114,770</u>

13. Contingent liabilities

The Company, together with several other wholly owned subsidiaries of Misys Newco 2 S.à r.l. guarantees the credit facilities of the Group. These facilities comprise secured credit agreements for US\$1,308m for first lien loans and US\$625m for second lien loans, which mature between four and six years. Under the credit facilities of the group, there is a fixed and floating charge over all of the assets of the Company.

14. Ultimate parent company

The Company's immediate parent company is Misys Limited which is incorporated in the United Kingdom.

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., a company incorporated in Luxembourg. 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., a company incorporated in Luxembourg.

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 party which controls the Company is Vista Equity Partners based in USA.