

DBS Mortgage Services Limited

Financial Statements 31 May 2005

together with director's and independent auditors' reports

Registered number: 2692525



DBS Mortgage Services Limited
 Director's report
 for year ended 31 May 2005

The Director presents the annual report on the affairs of the Company, together with the financial statements for the year ended 31 May 2005.

Results and dividends

The results of the Company for the year are set out in detail on page 6. The Director recommends the payment of a dividend of £NIL (2004 : £14,000,000). Losses of £NIL (2004 : loss of £2,479,000) have been transferred to reserves.

Principal activity and business review

The Company was dormant throughout the year. No significant change in the activities of the Company are expected in the future.

Directors and their interests

The Director of the Company and his interests in the share capital of the ultimate parent company, Misys plc, at the year-end are as follows:

	2005	2004
M Wadelin	*	*

Interests in share options

The options held by the Director over ordinary 1p shares in Misys plc were as follows:

	2004	Granted in year	Exercised in year	Lapsed in year	2005
M T Wadelin	*	*	*	*	*

* M Wadelin is a director of the intermediate holding company, Sesame Services Ltd, and his interests are shown in the financial statements of that company.

The Director had no other interests requiring disclosure under Section 234 of the Companies Act 1985.

DBS Mortgage Services Limited
Director's report (continued)
for year ended 31 May 2005

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office. The Director will place a resolution before the annual general meeting to reappoint PricewaterhouseCoopers LLP as auditors for the ensuing year.

By order of the Board,

A handwritten signature in dark ink, appearing to read 'M. T. Wadelin', with a stylized flourish at the end.

M Wadelin

30 November 2005

DBS Mortgage Services Limited

Statement of directors' responsibilities

Company Law requires the director to prepare financial statements in accordance with applicable United Kingdom accounting standards, which give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit or loss of the Company for the financial year. In preparing these financial statements, the directors are required to:

- select the most appropriate accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate.

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

The Director confirms that the financial statements comply with the above requirements.

DBS Mortgage Services Limited

Independent Auditors' report

Independent Auditors' report to the members of DBS Mortgage Services Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes, which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards, are set out in the statement of directors' responsibilities.

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. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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. The other information comprises only the director's report.

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.

DBS Mortgage Services Limited
Independent Auditors' report (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 May 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors
Southwark Towers
32 London Bridge Street
London
SE1 9SY

30 November 2005

DBS Mortgage Services Limited
Profit and loss account
For the year ended 31 May 2005

	Notes	Year ended 31 May 2005 £'000	Year ended 31 May 2004 £'000
Turnover		-	4,071
Cost of sales		-	(3,619)
Gross profit		-	452
Administrative expenses		-	(119)
Operating profit		-	333
Exceptional items*		-	11,283
Interest receivable	2	-	7
Profit on ordinary activities before taxation	3	-	11,623
Tax on profit on ordinary activities	4	-	(102)
Profit on ordinary activities after taxation		-	11,521
Dividends		-	(14,000)
Retained (loss) for the financial period	8	-	(2,479)

*Profit on sale of trade and assets

The results for the year reflect trading from discontinued operations.

The company had no recognised gains or losses other than the retained loss above for each accounting period, and accordingly no statement of total recognised gains and losses is presented.

There is no material difference between the profit on ordinary activities before taxation and the retained loss for the year as shown above and their historical cost equivalents.

DBS Mortgage Services Limited
Balance sheet
As at 31 May 2005

	Notes	31 May 2005 £'000	31 May 2004 £'000
Current assets			
Debtors	5	<u>533</u>	<u>533</u>
Net current assets		<u>533</u>	<u>533</u>
Net assets		<u>533</u>	<u>533</u>
Capital and reserves			
Called-up share capital	6	-	-
Profit and loss account	7	<u>533</u>	<u>533</u>
Equity shareholders' funds	8	<u>533</u>	<u>533</u>

The financial statements on pages 6 to 12 were approved by the Board of Directors on 30 November 2005 and signed on its behalf by



M Wadelin

Director

The accompanying notes are an integral part of these financial statements.

1 Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

The company is exempt from the requirement of FRS 1 (Revised) to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking within the Misys group, which produces publicly available consolidated accounts incorporating the results of the company.

Depreciation

Tangible fixed assets are shown at cost net of depreciation.

The cost of fixed assets is their purchase cost together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost less estimated residual value of tangible fixed assets over their expected useful lives as follows:

Office and computer equipment rates between 15% and 25% straight-line.

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 substantively enacted at the balance sheet date.

Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease agreement.

DBS Mortgage Services Limited
Statement of accounting policies (continued)
31 May 2005

Turnover and revenue recognition

Turnover represents the amount (excluding value added tax) derived from membership subscriptions and mortgages arranged and accepted by lenders. Revenue from mortgage arrangements is recognised on receipt of commissions or fees from lenders. Turnover relates to continuing operations in the United Kingdom.

2 Interest Receivable

	2005 £'000	2004 £'000
Bank interest	-	7

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2005 £'000	2004 £'000
Depreciation of owned tangible fixed assets	-	8

The depreciation charge in 2004 relates to fixed assets which were transferred out of the company in that year. Subsequently there are no charges shown for the current year.

Directors' remuneration:

The Director's emoluments have been apportioned to individual Sesame group companies based on the estimated amount earned in respect of work performed for that company. Directors emoluments have not been apportioned to DBS Mortgage Services Ltd as the Directors services to this company are considered to be incidental to the activities of the entire group.

4 Tax on profit on ordinary activities

	2005 £'000	2004 £'000
The tax charge comprises:		
UK corporation tax at 30% (2004: 30%)	-	102

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 30% (2004: 30%). The actual charge for the current and the previous period differs to the standard rate for the reasons set out in the reconciliation below.

	2005 £'000	2004 £'000
Profit on ordinary activities before taxation	-	11,623
Tax on profit on ordinary activities at standard rate	-	3,487
Group Relief for no consideration	-	(3,385)
	-	102

There is no unprovided deferred tax liability and no unrecognised deferred tax asset in either period.

DBS Mortgage Services Limited
Notes to financial statements (continued)
31 May 2005

5 Debtors

	31 May 2005 £'000	31 May 2004 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	533	533
	<u>533</u>	<u>533</u>

6 Called-up share capital

	31 May 2005 £'000	31 May 2004 £'000
<i>Authorised</i>		
500,000 ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>
<i>Allotted, called-up and fully-paid:</i>		
2 ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>

7 Profit and loss account reserve

The movement during the year was as follows:

	£'000
At 1 June 2004 & 31 May 2005	<u>533</u>

8 Reconciliation of movements in equity shareholders' funds

The movement in the year comprises:

	31 May 2005 £'000	31 May 2004 £'000
(Loss) for the financial period	-	(2,479)
Opening equity shareholders' funds	533	3,012
	<u>533</u>	<u>3,012</u>
Closing equity shareholders' funds	<u>533</u>	<u>533</u>

9 Ultimate parent company and controlling party

The immediate parent company and controlling party is Sesame Services Limited (formerly Misys IFA Services Limited). The ultimate parent company and controlling party is Misys plc, a company registered in England and Wales. The largest and smallest group in which the results of DBS Mortgage Services Limited are consolidated is that headed by Misys plc. The consolidated financial statements of this group are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. .

10 Related party transactions

As DBS Financial Management is wholly owned within the Misys Group, the company has taken advantage of the exception in FRS 8 "Related party disclosures" not to disclose transactions with other members of the group headed by Misys plc.

There are no other related party transactions requiring disclosure.