iSOFT Applications Limited

Report and Financial Statements

30 June 2011

Registered Number: 02005678

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OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

G Cohen	(resigned 23 September 2010)
A Fiumicelli	
J G Mackay	(resigned 1 August 2011)
A Stevens	
A Thomson	(appointed 1 August 2011)

SECRETARY

G Wilson (appointed 1 August 2011)

REGISTERED OFFICE

C/o CSC Computer Sciences International Limited
Royal Pavilion
Wellesley Road
Aldershot
Hampshire
GU11 1PZ

AUDITOR

PKF (UK) LLP
3 Hardman Street
Spinningfields
Manchester
M3 3HF

REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the year ended 30 June 2011

RESULTS AND DIVIDENDS

Turnover for the year was £23 0m (2010 - £17 5m), operating loss was £(8 8)m (2010 - £(10 2)m loss) and retained loss was £(29 1)m (2010 - £(25 9)m loss), which was transferred from reserves

The directors do not recommend the payment of a dividend (2010 - £Nil)

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

From 29 July 2011 the Company became a wholly owned subsidiary of Computer Sciences Corporation, a company incorporated in the US (see subsequent events below)

The principal activity of the Company is to hold all the intellectual property rights of the iSOFT Group and grants licences to group companies to utilise these rights

The key performance indicators during the year were

	2011	**2010**
Turnover	**£23.0m**	£17 5m
Operating (loss)	**£(8.8)m**	£(10 2)m
EBITDA[1]	**£(2.9)m**	£(3 7)m
Retained loss	**£(29.1)m**	£(25 9)m

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are broadly grouped as – competitive risks and financial risks

Competitive Risks The iSOFT Group continually enhances its product offering to utilise and maintain the intellectual property rights and takes prompt and thorough action against infringements

Financial Risks The Company is subject to financial risk arising from changes in market conditions affecting interest rates, from counterparty risk of failing to discharge an obligation and the impact of changing foreign exchange rates

MANAGEMENT OF RISK

The Company manages competition trading risk by providing added value services to our customers and by maintaining strong relationships with customers

Credit risk is managed by agreeing payment terms in advance, including invoicing periods for long term contracts and payments in advance Appropriate credit control procedures are followed at all operations where credit risk is perceived

The Company's transactions are predominantly in Sterling, but some transactions (sales and purchases) are in other currencies and the Company is therefore exposed to the movement in foreign exchange rates The iSOFT Group's treasury function matches receipts and payments in foreign currencies to manage risk at a Group level

[1] EBITDA represents earnings before interest, tax, depreciation, impairment and amortisation

REPORT OF THE DIRECTORS (contınued)

ENVIRONMENT
The Company recognıses that achıevıng success ın envıronmental and socıal management ıs a joınt responsıbılıty between employees and management Actıve employee partıcıpatıon ın communıty events and charıtıes ıs strongly supported through the provısıon of tıme and the ınternal promotıon and support for such actıvıtıes

The dırectors recognıse that whılst the Company's busıness actıvıtıes as a developer and supplıer of software applıcatıons have mınımal dırect envıronmental ımpact, there are envıronmental ımpacts ın runnıng the Company and our commıtment to adoptıng best practıce evıdences our responsıbılıty The Company's envıronmental polıcy aıms to raıse the awareness of envıronmental matters, establısh standards, assess the ımpact of ıts busıness actıvıtıes on the envıronment, set ımprovement objectıves and monıtor performance agaınst those objectıves

The Company's phılosophy ıs to establısh a paperless workıng envıronment wherever approprıate Thıs ıs supported through the automatıon of a number of ınternal management and admınıstratıve processes such as performance appraısals, job profıles, competency framework, and annual leave requests The Company contınues to look for ways to move closer to a paperless workıng envıronment

The Company also encourages staff to mınımıse unnecessary travel by usıng web exchange and vıdeo conferencıng facılıtıes and workıng from home ın approprıate cırcumstances

EMPLOYEES
Detaıls of the number of employees and related costs can be found ın the notes to the fınancıal statements

The Company ıs a commıtted equal opportunıtıes employer and operates workıng practıces to promote an employment envıronment that ıs free from dıscrımınatıon and harassment

It ıs the Company's polıcy to ensure that all employees and applıcants are treated equally, regardless of gender, marıtal status, race, colour, dısabılıty or sexual orıentatıon Dısabled ındıvıduals are afforded the same opportunıtıes as others, and the Company actıvely supports the employment of dısabled persons and ın the retentıon of employees who become dısabled whılst ın the employment of the Company

DIRECTORS
The dırectors who served durıng the year were as follows

G Cohen	(resıgned 23 September 2010)
A Fıumıcellı	
J G Mackay	(resıgned 1 August 2011)
A Stevens	

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE
Durıng the year the Company maıntaıned ınsurance cover for Dırectors' and Offıcers' lıabılıty as permıtted under sectıon 233 of the Companıes Act 2006

DONATIONS
No charıtable or polıtıcal donatıons were made durıng the year (2010 - £Nıl)

REPORT OF THE DIRECTORS (contınued)

FUTURE DEVELOPMENTS

The dırectors expect the prıncıpal actıvıty of the Company to remaın unchanged and contınue to seek opportunıtıes to enhance shareholder value The Dırectors are workıng wıth external advısors as part of the purchase accountıng valuatıon process for the acquısıtıon of the ıSOFT Group Lımıted group of companıes by CSC The Dırectors understand that thıs valuatıon may ımpact on the carryıng value of ıntangıble assets Thıs process ıs expected to be completed wıthın the FY12 fınancıal year

SUBSEQUENT EVENTS SINCE THE BALANCE SHEET DATE

On 29 July 2011, 100% of the share capıtal of ıSOFT Group Lımıted, the ultımate parent company at the balance sheet date, was acquıred by Computer Scıences Corporatıon (CSC), and as a consequence the ultımate parent entıty of the Company became Computer Scıences Corporatıon of 3170 Faırvıew Park Drıve, Falls Church, VA 22042, USA

As a result of the takeover, ıSOFT Group Lımıted's senıor secured borrowıngs whıch the company was party to a cross party guarantee, together wıth convertıble notes were ımmedıately repaıd and were replaced wıth ınter-company loan fundıng of $275,489,000

POLICY AND PRACTICE ON PAYMENT OF CREDITORS

It ıs the Group's polıcy to confırm the terms of payment wıth supplıers when agreeıng the terms of the transactıon to ensure that supplıers are aware of these terms Payments are contıngent on the supplıer provıdıng goods or servıces to the requıred standard and purchasıng ıs sometımes co-ordınated between Group undertakıngs

At the balance sheet date, the Company had no materıal trade credıtors (2010 - £Nıl)

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are dırectors at the tıme when thıs dırectors' report ıs approved has confırmed that

- so far as that dırector ıs aware, there ıs no relevant audıt ınformatıon of whıch the company's audıtor ıs unaware, and
- that dırector has taken all the steps that ought to have been taken as a dırector ın order to be aware of any ınformatıon needed by the company's audıtor ın connectıon wıth preparıng ıts report and to establısh that the company's audıtor ıs aware of that ınformatıon

Approved and authorısed for ıssue by the Board on 1 March 2012 and sıgned on ıts behalf by

A Stevens
Dırector

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2011

The dırectors are responsıble for preparıng the dırectors' report and the financıal statements ın accordance wıth applıcable law and regulatıons

Company law requıres the dırectors to prepare financıal statements for each financıal year Under that law the dırectors have elected to prepare the financıal statements ın accordance wıth Unıted Kıngdom Generally Accepted Accountıng Practıce (Unıted Kıngdom accountıng standards and applıcable law) Under company law the dırectors must not approve the financıal statements unless they are satısfied that they gıve a true and faır vıew of the state of affaırs of the company and of the profit or loss of the company for that perıod

In preparıng these financıal statements the dırectors are requıred to

- select suıtable accountıng polıcıes and then apply them consıstently,
- make ȷudgments and accountıng estımates that are reasonable and prudent,
- state whether applıcable UK accountıng standards have been followed, subȷect to any materıal departures dısclosed and explaıned ın the financıal statements,
- prepare the financıal statements on the goıng concern basıs unless ıt ıs ınapproprıate to presume that the company wıll contınue ın busıness

The dırectors are responsıble for keepıng adequate accountıng records that are sufficıent to show and explaın the company's transactıons, to dısclose wıth reasonable accuracy at any tıme the financıal posıtıon of the company and to enable them to ensure that the financıal statements comply wıth the Companıes Act 2006 They are also responsıble for safeguardıng the assets of the company and hence for takıng reasonable steps for the preventıon and detectıon of fraud and other ırregularıtıes

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF iSOFT APPLICATIONS LIMITED

We have audited the financial statements of iSOFT Applications Limited for the year ended 30 June 2011 which comprises 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)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, 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

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 annual 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 30 June 2011 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 AUDITOR'S REPORT TO THE MEMBERS OF iSOFT APPLICATIONS LIMITED (continued)

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

PKF (UK) LLP

Donald Bancroft (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditor
Manchester, UK

27 March 2012

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2011

	Note	2011 £'000	2010 £'000
TURNOVER	2	**22,981**	17,499
Operatıng costs		**(31,753)**	(27,674)
OPERATING (LOSS)	3	**(8,772)**	(10,175)
Net ınterest payable	4	**(20,366)**	(15,686)
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**(29,138)**	(25,861)
Taxatıon	5	**-**	(68)
RETAINED (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	11	**(29,138)**	(25,929)

The Company's actıvıtıes all derıve from contınuıng operatıons

There were no materıal dıfferences between the results stated above and the results on a hıstorıc cost basıs

There are no recognısed gaıns and losses other than those shown above and therefore, a statement of total recognısed gaıns and losses has not been ıncluded ın these financıal statements

The notes on pages 11 to 17 form an ıntegral part of these financıal statements

BALANCE SHEET
at 30 June 2011

Registered number: 2005678

	Note	2011 £'000	2010 £'000
FIXED ASSETS			
Intangıble fixed assets	6	**80,173**	83,196
CURRENT ASSETS			
Debtors – amounts due from group undertakıngs		**9,493**	9,596
Other debtors		**15**	-
Cash at bank and ın hand		**50**	1
		9,558	9,597
CREDITORS: amounts fallıng due wıthın one year	7	**(288,078)**	(262,005)
NET CURRENT LIABILITIES		**(278,520)**	(252,408)
TOTAL ASSETS LESS CURRENT LIABILITIES		**(198,347)**	(169,212)
CREDITORS: amounts fallıng due after more than one year	8	**(90)**	(87)
NET LIABILITIES		**(198,437)**	(169,299)
CAPITAL AND RESERVES			
Share capıtal	10	**261**	261
Profit and loss account	11	**(198,698)**	(169,560)
EQUITY SHAREHOLDERS DEFICIT	11	**(198,437)**	(169,299)

The notes on pages 11 to 17 form an ıntegral part of these financıal statements

These financıal statements were approved and authorısed for ıssue by the Board of dırectors on 1 March 2012 and were sıgned on ıts behalf by

A Stevens
Dırector

NOTES TO THE ACCOUNTS
at 30 June 2011

1. ACCOUNTING POLICIES AND SIGNIFICANT MATTERS RELATING TO THE BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The followıng accountıng polıcıes have been applıed consıstently ın dealıng wıth ıtems whıch are consıdered materıal ın relatıon to the Company's financıal statements

Basis of preparation
The financıal statements are prepared under the hıstorıcal cost conventıon and ın accordance wıth applıcable accountıng standards ın the Unıted Kıngdom

Goıng concern
The financıal statements are prepared on a goıng concern basıs whıch assumes the company wıll contınue to meet lıabılıtıes as they fall due

As a subsıdıary of ıSOFT Group Lımıted, the company together wıth other fellow subsıdıarıes partıcıpated ın centralısed bankıng arrangements and for thıs reason was dependent on contınued fınancıal support from the parent company and fellow subsıdıarıes ın order to remaın a goıng concern The company was subject to a cross guarantee ın respect of bank loan facılıtıes granted to the parent company as set out ın note 12

On 29 July 2011, 100% of the share capıtal of ıSOFT Group Lımıted, the ultımate parent company at the balance sheet date, was acquıred by Computer Scıences Corporatıon (CSC), and as a consequence the ultımate parent entıty of the Company became Computer Scıences Corporatıon of 3170 Faırvıew Park Drıve, Falls Church, VA 22042, USA

As a result of the takeover, ıSOFT Group Lımıted's senıor secured borrowıngs whıch the company was party to a cross party guarantee, together wıth convertıble notes were ımmedıately repaıd and were replaced wıth ınter-company loan fundıng of $275,489,000

On the basıs of theır assessment of the company's financıal posıtıon, the support confırmed by the parent entıty and the responses to the enquırıes made of the ultımate parent company dırectors, the dırectors have a reasonable expectatıon that the company wıll have suffıcıent resources to contınue ın operatıonal exıstence for the foreseeable future and for thıs reason contınue to adopt the goıng concern basıs of accountıng ın preparıng the financıal statements

Cash flow statement
The Company has taken advantage of the exemptıon provıded ın paragraph 5 of FRS 1 from preparıng a Statement of Cash Flows The cash flows of the Company are ıncorporated ınto the consolıdated Statement of Cash Flows prepared ın the ıSOFT Group Lımıted's financıal statements

Revenue recognıtıon
Turnover represents the faır value of consıderatıon receıved or receıvable from clıents for goods or servıces provıded by the Company, net of dıscounts and value added tax

NOTES TO THE ACCOUNTS (contınued)
at 30 June 2011

1. ACCOUNTING POLICIES AND SIGNIFICANT MATTERS RELATING TO THE BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (continued)

Research and Development
Expendıture on research actıvıtıes, undertaken wıth the prospect of obtaınıng new or scıentıfic or technıcal knowledge and understandıng ıs recognısed ın the profit and loss account as an expense when ıt ıs ıncurred

Development actıvıtıes ınvolve the applıcatıon of research fındıngs or other knowledge to a plan or desıgn for the productıon of new or substantıally ımproved products or servıces before the start of commercıal productıon or use The bulk of the development actıvıty of the Company relates to the development of software

Development expendıture ıs capıtalısed only ıf development costs can be measured relıably, the product or process ıs technıcally and commercıally feasıble, future economıc benefits are probable and the Company ıntends to use or sell the asset The expendıture capıtalısed comprıses all costs, ıncludıng costs of materıals, servıces and dırect labour costs that are dırectly attrıbutable to preparıng the asset for ıts ıntended use Other development expendıture ıs recognısed ın the profit and loss account as an expense when ıt ıs ıncurred Capıtalısed development expendıture stated at cost less accumulated amortısatıon and ımpaırment Amortısatıon ıs calculated from the date software ıs commercıally avaılable, usıng the straıght lıne method to allocate cost over the perıod of the expected benefit, whıch varıes from 4 to 7 years

Intangıble fıxed assets – software lıcences & development costs
Software lıcences and development costs are amortısed on a straıght-lıne basıs over theır estımated useful lıves up to a maxımum of 20 years from the date the product ıs avaılable for commercıal use The carryıng value of the lıcences ıs revıewed for ımpaırment at the end of the first full year followıng acquısıtıon and ın other perıods ıf events or changes ın cırcumstances ındıcate that the carryıng value may not be recoverable

Taxation
The charge for taxatıon ıs based on the profıt for the year and takes ınto account taxatıon deferred because of tımıng dıfferences between the treatment of certaın ıtems for taxatıon and accountıng purposes

Deferred tax ıs recognısed ın respect of all tımıng dıfferences that have orıgınated but not reversed at the balance sheet date where transactıons or events that result ın an oblıgatıon to pay more, or a rıght to pay less, tax ın the future have occurred at the balance sheet date, wıth the exceptıon that the Dırectors consıder that ıt ıs more lıkely than not that there wıll be suıtable taxatıon profıts from whıch the future reversal of the underlyıng tımıng dıfferences can be deducted

Deferred tax ıs measured on a non-dıscounted basıs at the tax rates that are expected to apply ın the perıods ın whıch tımıng dıfferences reverse, based on tax rates and laws enacted or substantıvely enacted at the balance sheet date

Where law or accountıng standards requıre gaıns or losses to be recognısed ın the statement of total recognısed gaıns and losses, the related taxatıon ıs also taken dırectly to the statement of total recognısed gaıns and losses

Foreıgn currencies
Transactıons ın foreıgn currencıes are recorded at the rate rulıng at the date of transactıon or at the contracted rate ıf the transactıon ıs covered by a forward foreıgn currency contract

Monetary assets and lıabılıtıes denomınated ın foreıgn currencıes are retranslated at the rate of exchange rulıng at the balance sheet date

All dıfferences are taken to the profit and loss account

NOTES TO THE ACCOUNTS (continued)
at 30 June 2011

2. TURNOVER

Turnover represents amounts for the provısıon of servıces whıch fall wıthın the Company's contınuıng actıvıtıes, stated net of value added tax and derıves from the followıng regıons

	2011 £'000	2010 £'000
UK	**19,340**	15,684
Australıa	**2,518**	1,569
Sıngapore	**763**	-
New Zealand	**158**	246
Europe	**106**	-
USA	**96**	-
	22,981	17,499

3. OPERATING LOSS

Thıs is stated after chargıng/(creditıng):

	2011 £'000	2010 £'000
(Release of provısıon)/provısıon for amounts owed by group undertakıngs	**(702)**	702
Amortısatıon	**5,892**	5,840
Foreıgn exchange profit	**(606)**	(1,075)

Audıt fees of £1,000 (2010 - £1,000) are borne by a fellow subsıdıary of the ıSOFT Group Lımited group wıthout recourse

Staff costs ıncluding dırectors

	2011 £'000	2010 £'000
Wages and salarıes	**951**	-
Socıal securıty costs	**127**	-
Pensıon costs	**28**	-
	1,106	-

Average monthly number of employees durıng the perıod

Development	**25**	-
Admınıstratıon	**4**	-
	29	-

Durıng the year the employees noted above had theır employment contracts transferred from a fellow group company

The dırectors have neıther receıved nor waıved any rıght to emoluments ın respect of theır servıces to the Company durıng year (2010 - £Nıl)

NOTES TO THE ACCOUNTS (contınued)
at 30 June 2011

4. NET INTEREST PAYABLE

		2011 £'000	2010 £'000
Interest receıvable	- on group undertakıngs	**(229)**	-
Interest payable	- on preference shares	**3**	3
	- on group undertakıngs	**20,592**	15,683
		20,366	15,686

5. TAXATION

(a) Tax on loss on ordinary activities:

	2011 £'000	2010 £'000
Unıted Kingdom corporation tax		
Current tax for the year	-	-
Adjustment ın respect of prıor perıods	-	68
Current taxation	-	68
Deferred taxation	-	-
Tax charge on loss on ordınary activities	-	68

(b) Factors affecting the current tax charge for the year·

	2011 £'000	2010 £'000

The tax charge ın the year dıffers from the standard rate of corporatıon tax ın the UK of 27 5% (2010 – 28%) The dıfferences are explaıned below

	2011 £'000	2010 £'000
Loss on ordınary actıvıtıes before tax	(29,139)	(24,351)
Tax on loss on ordınary actıvıtıes at the standard rate of 27 5% (2010 – 28%)	(8,013)	(6,818)
Effects of		
Group relıef surrendered for no consıderatıon	3,375	4,986
Expendıture deductıble/(not deductıble) for tax purposes	(957)	1,832
Other short term tımıng dıfferences	1,535	-
Losses not recognısed	4,060	-
Current tax charge for the year (note 5 (a))	-	-

(c) Factors that may affect future tax charges

There are sıgnıficant tax losses generated ın companıes wıthın the same UK corporatıon tax group and the group ıntends to contınue to utılıse group relıef claıms, whıch has the ımpact of reducıng the effectıve tax rate of the Company

NOTES TO THE ACCOUNTS (continued)
at 30 June 2011

6. INTANGIBLE FIXED ASSETS

	Software development £'000	Intellectual property £'000	Total £'000
Cost			
At 1 July 2010	11,797	200,500	212,297
Additions	2,869	-	2,869
At 30 June 2011	**14,666**	**200,500**	**215,166**
Amortisation/Impairment			
At 1 July 2010	2,063	127,038	129,101
Amortisation charged in the year	280	5,612	5,892
At 30 June 2011	**2,343**	**132,650**	**134,993**
Net book value			
At 30 June 2011	**12,323**	**67,850**	**80,173**
At 30 June 2010	9,734	73,462	83,196

The fixed and floating charge on the above assets was released on 29 July 2011 (see note 12)

The directors carry out impairment reviews of the carrying value of intangible fixed assets in accordance with the accounting policies stated in note 1 At 30 June 2011, in the opinion of the directors, there are no indicators of impairment of the intangible fixed asset carrying value

The recoverable amounts of the income generating units are determined from value in use calculations, derived from the present value of future cash flows generated by these units There are a number of assumptions and estimates involved in calculating the present value of future cash flows, including, but not restricted to the following

- Growth rates applied to EBITDA used as the basis for future cash flows,
- The long term growth rates for the Company's key markets applied into perpetuity, and
- The discount rate applied to the cash flows to calculate their present value

Although the directors are satisfied that the assumptions used are appropriate to the current circumstances of the Company, changes to these key assumptions or estimates could significantly affect the result of the impairment calculation Management estimates discount rates using pre-tax rates that reflect the current market assessments of the time value of money and the risks specific to the business The growth rates are based on management forecasts for the specific markets

The Company prepares pre-tax cash flow forecasts derived from the most recent financial forecasts approved by management for the next four years and extrapolates cash flows for future periods The rate used to discount the forecast pre-tax cash flows was 10 25% and represents management's current best estimate of the weighted average cost of capital in each of the years for which cash forecasts have been discounted

NOTES TO THE ACCOUNTS (contınued)
at 30 June 2011

7. CREDITORS: amounts falling due withın one year

	2011 £000	2010 £'000
Trade credıtors	3	5
Accruals and other creditors	65	-
Amounts owed to group undertakıngs	288,010	262,000
	288,078	262,005

8. CREDITORS: amounts fallıng due after more than one year

	2011 £'000	2010 £'000
79,000 fixed rate preference shares of £1 each	79	79
Preference share fixed rate accrual	11	8
	90	87

The fixed rate preference shares have a fixed rate cumulatıve dıvıdend of 3 5% per annum, are redeemable at par and have equal votıng rıghts per share to the ordınary shares In the event of a return of capıtal on wındıng up or repayment by way of a capıtal reductıon or otherwıse, the preference shares have prıorıty ın repayment over any other class of shares

9. DEFERRED TAXATION

The deferred tax ın relatıon to the Company ıs as follows

	Provided		Unprovided	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Intangıbles	-	-	1,471	-
Losses	-	-	14,642	8,577
Other short term tımıng dıfferences	-	-	146	158
	-	-	16,259	8,735

The unprovıded deferred tax asset relates to tax losses avaılable to carry forward and off-set future tradıng profits wıthın the Company The ıSOFT Group Lımıted Group utılıses group relıef wherever possıble and as such the tımıng of the off-set of the tax losses agaınst future tradıng profits cannot be accurately predıcted and has therefore not been recognısed

10. SHARE CAPITAL

	2011		2010	
	No.	£'000	No	£'000
Allotted, called up and fully paıd				
Ordınary shares of £1 each	21,000	21	21,000	21
'B' Ordınary shares of £1 each	240,000	240	240,000	240
	261,000	261	261,000	261

The 'B' Ordınary shares rank parı passu wıth the Ordınary shares

NOTES TO THE ACCOUNTS (continued)
at 30 June 2011

11. RECONCILIATION OF SHAREHOLDERS' DEFICIT AND MOVEMENT IN RESERVES

	Share capital £'000	Profit and loss account £'000	Total £'000
At 1 July 2010	261	(169,560)	(169,299)
Loss for the year	-	(29,138)	(29,138)
At 30 June 2011	261	(198,698)	(198,437)

12. CROSS PARTY GUARANTEE
Following the acquisition by CSC (see note 15), the Company, along with all other material companies within the iSOFT Group Limited Group, was released from the guarantee in respect of the bank loan facilities dated 23 December 2009 granted to iSOFT Group Limited

13 RELATED PARTY TRANSACTIONS
As a wholly owned subsidiary of iSOFT Group Limited, under FRS 8 the company is exempt from disclosing detail of transactions and balances with its parent company and other 100% owned subsidiary companies There were no other related party transactions during the year

14. PARENT UNDERTAKINGS
The immediate parent company at 30 June 2011 was iSOFT Group (UK) Limited (formerly iSOFT Group plc), registered in England and Wales

At 30 June 2011, the directors consider iSOFT Group Limited, registered in Australia as the ultimate controlling party Group accounts have been prepared for the year ended 30 June 2011 by iSOFT Group Limited and are available from the registered office

Following the change of control on 29 July 2011, the directors consider Computer Sciences Corporation, registered in the United States of America as the ultimate controlling party This is now the only group of which the Company is a member and for which group financial statements are prepared

15. SUBSEQUENT EVENTS SINCE THE BALANCE SHEET DATE
On 22 July 2011 iSoft Group (UK) Limited subscribed for 1 ordinary share of £1 in this company for a total consideration of £257,605,510

On 29 July 2011, 100% of the share capital of iSOFT Group Limited, the ultimate parent company at the balance sheet date, was acquired by Computer Sciences Corporation (CSC), and as a consequence the ultimate parent entity of the Company became Computer Sciences Corporation of 3170 Fairview Park Drive, Falls Church, VA 22042, USA

As a result of the takeover, iSOFT Group Limited's senior secured borrowings which the company was party to a cross party guarantee, together with convertible notes were immediately repaid and were replaced with inter-company loan funding of $275,489,000