

**Report of the Directors and
Financial Statements for the Year Ended 30 April 2011
for
5 Star Computer Systems Limited**

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for the Year Ended 30 April 2011**

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**Company Information
for the Year Ended 30 April 2011**

DIRECTORS	N Roberts K Crompton
SECRETARY	N Roberts
REGISTERED OFFICE	Riding Court House Riding Court Road Datchet Berkshire SL3 9JT
REGISTERED NUMBER	03346768 (England and Wales)
AUDITORS	Deloitte LLP Reading, United Kingdom
SOLICITORS	CMS Cameron McKenna LLP Mitre House 160 Aldersgate Street London EC1A 4DD

**Report of the Directors
for the Year Ended 30 April 2011**

The directors present their report and the audited financial statements of the company for the year ended 30 April 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of computer consultancy and software development

GOING CONCERN

The company's business activities and principal risks and uncertainties are detailed below. Liquidity is managed at group level using long-term group bank facilities. Having considered these risks and the current uncertain economic environment, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

REVIEW OF BUSINESS

The results for the period and financial position of the company are as shown in the financial statements, on pages 5 and 6 respectively.

The company continued to yield strong profit margins, with gross profit at 67% (2010 71%). The directors consider the results to be satisfactory and look forward to continued strong profitability.

DIVIDENDS

The total distribution of dividends for the year ended 30 April 2011 will be £300,000 (2010 £100,000).

DIRECTORS

N Roberts has held office during the whole of the period from 1 May 2010 to the date of this report.

Other changes in directors holding office are as follows:

M Leuw - resigned 1 March 2011

K Crompton - appointed 1 March 2011

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made no charitable donations during the period (2010 £nil).

FINANCIAL RISK FACTORS

Credit Risk

The company has no significant concentrations of credit risk. The company has policies in place to ensure that sales of the services are made to clients with an appropriate credit history. Cash and cash equivalents are held with reputable institutions.

Foreign Exchange Risk

No material part of the company operates outside of the United Kingdom, yielding minimal exposure to foreign exchange risk arising from currency exposures.

Concentration Risk

For both the year ended 30 April 2011 and the prior period, no income derived from a single customer exceeded 7% of the company's turnover. The customer with the highest percentage concentration by turnover for the year was Denmaur Independent Papers PLC 7% (2010 7%).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, and,
- State whether applicable UK Accounting Standards have been followed.

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.

**Report of the Directors
for the Year Ended 30 April 2011**

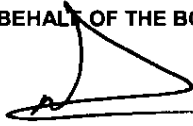
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Deloitte LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to be 'N Roberts', written over a horizontal line.

N Roberts - Director

24th November 2011

**Independent Auditor's Report to the Members of
5 Star Computer Systems Limited**

We have audited the financial statements of 5 Star Computer Systems Limited for the year ended 30 April 2011 which comprise the profit and loss account, balance sheet and the related notes 1 to 21. 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 financial statements 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 April 2011 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



John Clennett (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom

24 November 2011

**Profit and Loss Account
for the Year Ended 30 April 2011**

	Notes	2011 £	2010 £
TURNOVER	2	1,358,738	1,450,971
Cost of sales		<u>(452,293)</u>	<u>(425,816)</u>
GROSS PROFIT		906,445	1,025,155
Administrative expenses		<u>(566,571)</u>	<u>(719,508)</u>
OPERATING PROFIT	4	339,874	305,647
Interest receivable and similar income	5	<u>-</u>	<u>25</u>
		339,874	305,672
Interest payable and similar charges	6	<u>(192)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		339,682	305,672
Tax on profit on ordinary activities	7	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>339,682</u>	<u>305,672</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

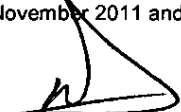
TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year. Accordingly no statement of total recognised gains and losses has been presented

Balance Sheet
30 April 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	9	2,256	5,507
CURRENT ASSETS			
Stocks	10	2,243	1,893
Debtors	11	893,788	535,898
Cash at bank and in hand		<u>17,708</u>	<u>353,632</u>
		913,739	891,423
CREDITORS			
Amounts falling due within one year	12	<u>(377,756)</u>	<u>(364,308)</u>
NET CURRENT ASSETS		<u>535,983</u>	<u>527,115</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		538,239	532,622
CREDITORS			
Amounts falling due after more than one year	13	(10,605)	(50,364)
PROVISIONS FOR LIABILITIES	15	<u>(5,694)</u>	<u>-</u>
NET ASSETS		<u>521,940</u>	<u>482,258</u>
CAPITAL AND RESERVES			
Called up share capital	16	105	105
Share premium	17	14,245	14,245
Profit and loss account	17	<u>507,590</u>	<u>467,908</u>
SHAREHOLDERS' FUNDS	21	<u>521,940</u>	<u>482,258</u>

The financial statements for 5 Star Computer Systems Ltd, registered number 03346768, were approved by the Board of Directors on 24th November 2011 and were signed on its behalf by



N Roberts - Director

**Notes to the Financial Statements
for the Year Ended 30 April 2011**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The significant accounting policies of the company, which have been consistently applied in the current and preceding years, are as follows

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Going concern

The company has strong net assets and is profit making. The company's business activities and principal risks and uncertainties are detailed in the Directors' Report. Having considered these risks and the uncertainties of the current economic environment, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax. Initial fee income is recognised in full on receipt of payment, receipt of a signed software licence and the issue of authorisation codes to activate the software. Software support contracts invoiced in advance are taken to income in monthly instalments over the relevant contract period. Training and consultancy revenue is recognised as it occurs.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life:

Improvements to property	- Over lease term
Fixtures and equipment	- 20% on cost
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Current Tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date and that results in an obligation to pay more tax in the future or right to pay less tax in the future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Pension costs and other post-retirement benefits

The company operates a defined contribution scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Cashflow statements

An intermediate parent company, IRIS Software Group Limited, which is incorporated in the United Kingdom, prepares consolidated financial statements, in which the company is included. The company has therefore taken advantage of an exemption from preparing a Cash Flow Statement, as provided for in Financial Reporting Standard 1 (revised 1996).

Operating Leases

Rentals under operating leases are charged on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the shorter of the period of the lease term or until the date the rent is expected to be adjusted to the prevailing rate.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company, no material part of which is undertaken outside the United Kingdom.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2011

3 STAFF COSTS

	2011 £	2010 £
Wages and salaries	464,364	585,350
Other pension costs	<u>6,009</u>	<u>-</u>
	<u>470,373</u>	<u>585,350</u>

The average monthly number of employees during the year was as follows

	2011	2010
Sales & Marketing	2	2
Software Support & Training	8	8
Software Development	1	1
Administration & Management	<u>2</u>	<u>2</u>
	<u>13</u>	<u>13</u>

The total cost charged to income of £6,009 (2010 £2,236) represents contributions payable to these schemes by the company at rates specified in the rules of the plan. As at 30 April 2011, there were no contributions due to be paid over to the scheme in respect of the current reporting period (2010 £nil)

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation - owned assets	3,251	10,222
Profit on disposal of fixed assets	(2,494)	-
Auditors' remuneration	5,250	3,681
Operating lease expense	<u>5,038</u>	<u>-</u>

Directors' remuneration for the company has been borne by Ins Software Group Limited and the amount allocated for their services to this company is £nil (2010 £nil)

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2011 £	2010 £
Deposit account interest	<u>-</u>	<u>25</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable	<u>192</u>	<u>-</u>

7 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 April 2011 or for the year ended 30 April 2010

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>339,682</u>	<u>305,672</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 27.8% (2010 - 28%)	94,432	85,588
Effects of		
Excess of depreciation over capital allowances	(1,167)	522
Group Relief not paid for	(94,367)	(88,688)
Expenses not deductible for tax purposes	<u>1,102</u>	<u>2,578</u>
Current tax charge	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2011

8 DIVIDENDS

	2011 £	2010 £
Final dividend of £3,000 per share was distributed (2010 £1,000 per share)	<u>300,000</u>	<u>100,000</u>

9 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and equipment £	Motor vehicles £	Totals £
COST				
At 1 May 2010 and 30 April 2011	<u>12,723</u>	<u>17,761</u>	<u>13,375</u>	<u>43,859</u>
DEPRECIATION				
At 1 May 2010	10,170	14,809	13,373	38,352
Charge for year	<u>2,542</u>	<u>709</u>	-	<u>3,251</u>
At 30 April 2011	<u>12,712</u>	<u>15,518</u>	<u>13,373</u>	<u>41,603</u>
NET BOOK VALUE				
At 30 April 2011	<u>11</u>	<u>2,243</u>	<u>2</u>	<u>2,256</u>
At 30 April 2010	<u>2,553</u>	<u>2,952</u>	<u>2</u>	<u>5,507</u>

10 STOCKS

	2011 £	2010 £
Stocks	<u>2,243</u>	<u>1,893</u>

There is no material difference between the balance sheet value of stocks and their replacement cost

11 DEBTORS

	2011 £	2010 £
Amounts falling due within one year		
Trade debtors	190,635	225,549
Other debtors	<u>32,676</u>	<u>10,349</u>
	<u>223,311</u>	<u>235,898</u>
Amounts falling due after more than one year		
Amounts owed by parent undertakings	<u>670,477</u>	<u>300,000</u>
Aggregate amounts	<u>893,788</u>	<u>535,898</u>

Amounts owed to parent and group undertakings are repayable on notice. The company has agreed that amounts due will not be called upon within a year of the balance sheet date. Interest is charged at 0% (2010 0%)

12 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	29,392	23,686
Corporation tax	-	198
Social security and other taxes	42,902	51,143
Other creditors	48,384	36,457
Accruals and deferred income	<u>257,078</u>	<u>252,824</u>
	<u>377,756</u>	<u>364,308</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2011

13 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Amounts owed to parent undertakings	<u>10,605</u>	<u>50,364</u>

Amounts due to parent and group undertakings are repayable on notice. Parent and group undertakings have agreed that amounts due will not be called upon within a year of the balance sheet date. Interest rate charged at 0% (2010: 0%).

14 OPERATING LEASE COMMITMENTS

The following annual operating lease payments are committed to be paid

	2011 £	Other operating leases 2010 £
Expiring Within one year	-	400
Between one and five years	<u>4,539</u>	<u>4,488</u>
	<u>4,539</u>	<u>4,888</u>

15 PROVISIONS FOR LIABILITIES

	2011 £	2010 £
Other provisions	<u>5,694</u>	<u>-</u>

	Dilapidation Provision £
Balance at 30 April 2010	-
Dilapidations	<u>5,694</u>
Balance at 30 April 2011	<u>5,694</u>

The dilapidations provision is for the Margate office, currently within leasing term, being utilised by 5 Star Computer Systems Limited. This amount is expected to be utilised by 30th April 2012.

16 CALLED UP SHARE CAPITAL

Allotted and issued Number	Class	Nominal value £1	2011 £	2010 £
105	Share capital 1	£1	<u>105</u>	<u>105</u>

The company has 1,000 authorised shares at a nominal value of £1 each (2010: 1,000).

17 RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 May 2010	467,908	14,245	482,153
At 1 May 2010	339,682	-	339,682
At 1 May 2010	<u>(300,000)</u>	<u>-</u>	<u>(300,000)</u>
At 30 April 2011	<u>507,590</u>	<u>14,245</u>	<u>521,835</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2011

18 **ULTIMATE PARENT COMPANY**

The ultimate parent undertaking is Software (Cayman) LP, a partnership registered in the Cayman Islands. The ultimate controlling party is H&F Corporate Investors VI (Cayman) LLC, a partnership registered in the Cayman Islands.

The parent undertaking of the largest group which includes the company and for which group accounts are prepared is Software Luxembourg (Holdco 1) Sarl, a company incorporated in Luxembourg. The parent undertaking of the smallest such group is IRIS Software Group Limited, a company incorporated in England and Wales. Copies of the group financial statements of Software Luxembourg (Holdco 1) Sarl are available from Registre de Commerce et des Sociétés, L-2961 Luxembourg. Copies of the group financial statements of IRIS Software Group Limited are available from Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ.

19 **CONTINGENT LIABILITIES**

The group's bankers rely on a cross guarantee structure between the company's immediate parent company, Ins Software Group Limited, and its subsidiary undertakings. The cross guarantees were executed on 3 July 2007. There were no liabilities to the bank at the year end other than as provided for in the financial statements of Ins Software Group Limited, being £304.9m (2010 £305.8m).

20 **RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption in FRS 8 not to disclose transactions or balances with entities which form part of the group.

21 **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Profit for the financial year	339,682	305,672
Dividends	(300,000)	(100,000)
	39,682	205,672
New share capital subscribed	-	5
New share premium subscribed	-	14,245
Net addition to shareholders' funds	39,682	219,922
Opening shareholders' funds	<u>482,258</u>	<u>262,336</u>
Closing shareholders' funds	<u>521,940</u>	<u>482,258</u>