

REGISTERED NUMBER 03346768 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 30 April 2012
for
5 Star Computer Systems Limited**

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5 Star Computer Systems Limited (Registered number: 03346768)

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for the Year Ended 30 April 2012**

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5 Star Computer Systems Limited

**Company Information
for the Year Ended 30 April 2012**

DIRECTORS	N Roberts K Crompton R I Preedy
SECRETARY	N Roberts
REGISTERED OFFICE	Booths Park 4 Chelford Road Knutsford Cheshire WA16 8GS
REGISTERED NUMBER	03346768 (England and Wales)
AUDITOR	Deloitte LLP Reading, United Kingdom
SOLICITORS	CMS Cameron McKenna LLP Mitre House 160 Aldersgate Street London EC1A 4DD

5 Star Computer Systems Limited (Registered number: 03346768)

**Directors' Report
for the Year Ended 30 April 2012**

The directors present their report and the audited financial statements of the company for the year ended 30 April 2012

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 annexed financial statements.

The company continued to yield strong profit margins, with gross profit at 72% (2011: 67%). The reported revenue for the year ending 30 April 2012 is £1,383,900. This represents a 2% increase (2011: 6% decrease) against revenue of £1,358,738 for a comparable 12 period to 30 April 2011.

The number of customers at 30 April 2012 was 162 (2011: 166).

The directors consider the results to be satisfactory and look forward to continued strong profitability.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2012 (2011: £300,000).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2011 to the date of this report.

N Roberts
K Crompton

Other changes in directors holding office are as follows:

R I Preedy was appointed as a director after 30 April 2012 but prior to the date of this report.

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.

Interest risk

The company earns interest on its cash. An intermediate parent company, CSG Bidco Limited, has borrowings through a combination of short and long-term fixed and variable rate instruments. CSG Bidco Limited manages its interest rate risk through interest rate hedge instruments.

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 the year ended 30 April 2012, no income derived from a single customer exceeded 12% of the company's turnover (2011: 7%). The customer with the highest percentage concentration by turnover for the year was Denmaur Independent Papers PLC 12% (2011: 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

5 Star Computer Systems Limited (Registered number: 03346768)

**Directors' Report
for the Year Ended 30 April 2012**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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 auditor is 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 auditor is 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 'R I Preedy', written over a horizontal line.

R I Preedy
Director

28 September 2012

**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 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 20. 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 Audit 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 pages two and three, 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 Report of the Directors 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 2012 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, ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom

28 September 2012

5 Star Computer Systems Limited (Registered number: 03346768)

**Profit and Loss Account
for the Year Ended 30 April 2012**

	Notes	2012 £	2011 £
TURNOVER	2	1,383,900	1,358,738
Cost of sales		<u>(385,672)</u>	<u>(452,293)</u>
GROSS PROFIT		998,228	906,445
Administrative expenses		<u>(547,408)</u>	<u>(566,571)</u>
OPERATING PROFIT	4	450,820	339,874
Interest payable and similar charges	5 -	<u>-</u>	<u>(192)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		450,820	339,682
Tax on profit on ordinary activities	6	<u>(73,103)</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	16	<u><u>377,717</u></u>	<u><u>339,682</u></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.

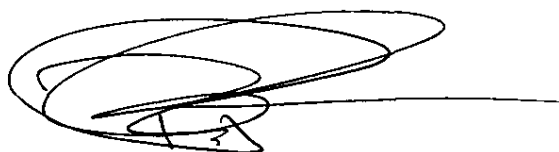
The notes form part of these financial statements

5 Star Computer Systems Limited (Registered number: 03346768)

**Balance Sheet
30 April 2012**

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	8	-	2,256
CURRENT ASSETS			
Stocks	9	1,615	2,243
Debtors	10	1,418,903	893,788
Cash at bank and in hand		<u>2,849</u>	<u>17,708</u>
		1,423,367	913,739
CREDITORS			
Amounts falling due within one year	11	<u>(501,099)</u>	<u>(377,756)</u>
NET CURRENT ASSETS		<u>922,268</u>	<u>535,983</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		922,268	538,239
CREDITORS			
Amounts falling due after more than one year	12	(22,611)	(10,605)
PROVISIONS FOR LIABILITIES	14	<u>-</u>	<u>(5,694)</u>
NET ASSETS		<u>899,657</u>	<u>521,940</u>
CAPITAL AND RESERVES			
Called up share capital	15	105	105
Share premium	16	14,245	14,245
Profit and loss account	16	<u>885,307</u>	<u>507,590</u>
SHAREHOLDER'S FUNDS	20	<u>899,657</u>	<u>521,940</u>

The financial statements of 5 Star Computer Systems Limited (registered number 0346768) were approved by the Board of Directors and authorised for issue on 28 September 2012 and were signed on its behalf by



R I Preedy
Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 April 2012

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 year, 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 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 less accumulated 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

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. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

Cash flow statements

An intermediate parent company CSG Midco 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 2012

3 STAFF COSTS

	2012	2011
	£	£
Wages and salaries	457,012	464,364
Other pension costs	<u>8,925</u>	<u>6,009</u>
	<u>465,937</u>	<u>470,373</u>

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

	2012	2011
Sales & marketing	2	2
Software support & training	6	6
Software development	1	1
Administration & management	<u>2</u>	<u>2</u>
	<u>11</u>	<u>11</u>

Directors' remuneration in the current year has been borne by CSG Midco Limited and the allocation to this company for their services is £nil (2011 £nil previously Ins Software Group Limited)

Pension costs

The total cost charged to the profit and loss account of £8,925 (2011 £6,009) represents contributions payable to these schemes by the company at rates specified in the rules of the plan. As at 30 April 2012, there were no contributions due to be paid over to the scheme in respect of the current reporting period (2011 £nil)

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation - owned assets	102	3,251
Profit on disposal of fixed assets	(601)	(2,494)
Fee payable to the Company's auditors for the audit of the Company's annual accounts	<u>5,408</u>	<u>5,250</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Interest payable	<u>-</u>	<u>192</u>

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012	2011
	£	£
Current tax		
UK corporation tax	<u>73,103</u>	-
Tax on profit on ordinary activities	<u>73,103</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2012

6 TAXATION - continued

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

	2012 £	2011 £
Profit on ordinary activities before tax	<u>450,820</u>	<u>339,682</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.8% (2011 - 27.8%)	116,312	94,432
Effects of		
Excess of depreciation over capital allowances	(1,597)	(1,167)
Group Relief not paid for	(41,612)	(94,367)
Expenses not deductible for tax purposes	-	1,102
Current tax charge	<u>73,103</u>	<u>-</u>

Factors that may affect future tax charges

Deferred tax assets of £5,747 (2011: £nil) in respect of depreciation in excess of capital allowances have not been recognised due to the uncertainty over whether the company will generate sufficient taxable profits in the future.

In the Finance Bill 2012, the government has announced a reduction in the main rate of corporation tax from 25% to 24% effective from 1 April 2012. The 24% tax rate was substantively enacted on 26 March 2012. This rate reduction has been reflected in the calculation of current and deferred tax at the balance sheet date.

The government intends to enact further reductions in the main tax rate of 1% each year, down to 23% effective from 1 April 2013 and to 22% by 1 April 2014. As these tax rates were not substantively enacted at the balance sheet date, the rate reduction is not yet reflected in these financial statements in accordance with FRS 21, as it is a non-adjusting event occurring after the reporting period.

7 DIVIDENDS

	2012 £	2011 £
Final dividend of £nil per share (2011: £3,000)	<u>-</u>	<u>300,000</u>

8 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and equipment £	Motor vehicles £	Totals £
COST				
At 1 May 2011	12,723	17,761	13,375	43,859
Disposals	<u>(12,723)</u>	<u>(17,761)</u>	<u>(13,375)</u>	<u>(43,859)</u>
At 30 April 2012	-	-	-	-
DEPRECIATION				
At 1 May 2011	12,712	15,518	13,373	41,603
Charge for year	-	102	-	102
Eliminated on disposal	<u>(12,712)</u>	<u>(15,620)</u>	<u>(13,373)</u>	<u>(41,705)</u>
At 30 April 2012	-	-	-	-
NET BOOK VALUE				
At 30 April 2012	-	-	-	-
At 30 April 2011	<u>11</u>	<u>2,243</u>	<u>2</u>	<u>2,256</u>

During the year the company vacated the property it was occupying in Margate and relocated the business to a shared site in Bournemouth.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2012

9 STOCKS

	2012 £	2011 £
Finished goods and goods for resale	<u>2,243</u>	<u>1,615</u>

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

10 DEBTORS

	2012 £	2011 £
Amounts falling due within one year		
Trade debtors	301,096	190,635
Other debtors	<u>19,223</u>	<u>32,676</u>
	<u>320,319</u>	<u>223,311</u>

Amounts falling due after more than one year
Amounts owed by parent undertakings

	<u>1,098,584</u>	<u>670,477</u>
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Aggregate amounts

	<u>1,418,903</u>	<u>893,788</u>
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Intercompany interest is charged/paid on the overall average intercompany balance over a de minimis limit at a rate of LIBOR + margin of 3.33% - 5.5% (2011: 3.28%). Parent and group undertakings have agreed in writing that amounts due will not be called upon within a year of the balance sheet date

11 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade creditors	23,287	29,392
Social security and other taxes	92,284	42,902
Other creditors	58,677	48,384
Accruals and deferred income	<u>326,851</u>	<u>257,078</u>
	<u>501,099</u>	<u>377,756</u>

12 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012 £	2011 £
Amounts owed to parent undertakings	<u>22,611</u>	<u>10,605</u>

Intercompany interest is charged/paid on the overall average intercompany balance over a de minimis limit at a rate of LIBOR + margin of 3.33% - 5.5% (2011: 3.28%). Parent and group undertakings have agreed in writing that amounts due will not be called upon within a year of the balance sheet date

13 OPERATING LEASE COMMITMENTS

The following annual operating lease payments are committed to be paid

	2012 £	Other operating leases 2011 £
Expiring		
Between two and five years	<u>4,800</u>	<u>4,539</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2012

14 PROVISIONS FOR LIABILITIES

	2012 £	2011 £
Other provisions	<u>-</u>	<u>5,694</u>
		Dilapidations Provision
Balance at 1 May 2011		£ 5,694
Credit to profit and loss account during year		<u>(5,694)</u>
Balance at 30 April 2012		<u>-</u>

15 CALLED UP SHARE CAPITAL

Allotted and issued Number	Class	Nominal value £1	2012 £	2011 £
105	Share capital		<u>105</u>	<u>105</u>

The company has 1,000 authorised shares at a nominal value of £1 each (2011 1,000)

16 RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 May 2011	507,590	14,245	521,835
Profit for the year	<u>377,717</u>	<u>-</u>	<u>377,717</u>
At 30 April 2012	<u>885,307</u>	<u>14,245</u>	<u>899,552</u>

17 PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

On 21 December 2011, the entire share capital of Computer Software Holdings Limited, an intermediate parent company, was acquired by CSG Bidco Limited

According to the register maintained by the company, discretionary fund management clients of HgCapital LLP (holding through a nominee company) held a significant interest in the ordinary shares of the company at 30 April 2012. The directors deem there not to be an ultimate controlling party as none of the individual discretionary fund management clients of HgCapital LLP has an ownership of more than 20% of the issued share capital of the company.

18 CONTINGENT LIABILITIES

The group's bankers rely on a cross guarantee structure between the company's intermediate parent company, CSG Bidco Limited and its subsidiary undertakings. The cross guarantees were executed on 19 January 2012. A similar cross guarantee structure was in place at 30 April 2011 in respect of the borrowings of Ins Software Group Limited. There were no liabilities to the bank at the year end other than as provided for in the financial statements of CSG Bidco Limited, being £42.75m (2011 £304.9m).

19 RELATED PARTY DISCLOSURES

In accordance with Financial Reporting Standard 8, "Related Party Disclosures", transactions with other 100% owned undertakings within, and investee related parties of, the Penfold Heath Media Limited are not disclosed in these financial statements.

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2012 £	2011 £
Profit for the financial year	377,717	339,682
Dividends	<u>-</u>	<u>(300,000)</u>
Net addition to shareholder's funds	377,717	39,682
Opening shareholder's funds	<u>521,940</u>	<u>482,258</u>
Closing shareholder's funds	<u>899,657</u>	<u>521,940</u>