

REGISTERED NUMBER: 03346768 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 30 April 2010
for
5 Star Computer Systems Ltd**

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for the Year Ended 30 April 2010**

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**Company Information
for the Year Ended 30 April 2010**

DIRECTORS.

M Leuw
N A Roberts

SECRETARY

N A 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 2010**

The directors present their report together with the audited financial statements of the company for the year ended 30 April 2010

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 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.

The company continued to yield strong profit margins, with gross profit at 71% (2009: 76%). 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 2010 will be £100,000 (2009: £300,000).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2009 to the date of this report.

M Leuw
N A Roberts

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made no charitable donations during the period (2009: £210).

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, Iris Software Group Limited, has borrowings through a combination of short and long term fixed and variable rate instruments. Iris Software Group Limited manages its interest risk through two 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 both the year ended 30 April 2010 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% (2009: 4%)).

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,
- state whether applicable UK Accounting Standards have been followed.

**Report of the Directors
for the Year Ended 30 April 2010**

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.

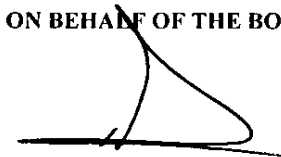
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 ought to have taken as a director in order to make himself 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 A Roberts', written over a horizontal line.

N A Roberts - Director

Date 19th August 2010

**Report of the Independent Auditors to the Shareholders of
5 Star Computer Systems Ltd**

We have audited the financial statements of 5 Star Computer Systems Ltd for the year ended 30 April 2010 on pages five to twelve. 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 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 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 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.

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 2010 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 & Registered Auditors
Reading, United Kingdom
Reading
Berkshire

Date 19th August 2010

**Profit and Loss Account
for the Year Ended 30 April 2010**

	Notes	2010 £	2009 £
TURNOVER	2	1,450,971	2,353,701
Cost of sales		<u>(425,816)</u>	<u>(573,581)</u>
GROSS PROFIT		1,025,155	1,780,120
Distribution costs		-	(76)
Administrative expenses		<u>(719,508)</u>	<u>(1,377,576)</u>
OPERATING PROFIT		305,647	402,468
Interest receivable and similar income	5	<u>25</u>	<u>10,934</u>
		305,672	413,402
Interest payable and similar charges	6	<u>-</u>	<u>(681)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	305,672	412,721
Tax on profit on ordinary activities	7	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION	17, 20	<u><u>305,672</u></u>	<u><u>412,721</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

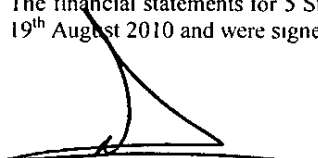
The company has no recognised gains or losses other than the profits for the current year or previous year. Accordingly no statement of total recognised gains and losses has been presented.

5 Star Computer Systems Ltd (Registered number: 3346768)

**Balance Sheet
30 April 2010**

	Notes	2010 £	2009 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	<u>5,507</u>	<u>19,894</u>
		<u>5,507</u>	<u>19,894</u>
CURRENT ASSETS			
Stocks	11	1,893	5,653
Debtors	12	535,898	516,672
Cash at bank and in hand		<u>353,632</u>	<u>142,493</u>
		891,423	664,818
CREDITORS			
Amounts falling due within one year	13	<u>(364,308)</u>	<u>(397,864)</u>
NET CURRENT ASSETS		<u>527,115</u>	<u>266,954</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		532,622	286,848
CREDITORS			
Amounts falling due after more than one year	14	<u>(50,364)</u>	<u>(24,512)</u>
NET ASSETS		<u>482,258</u>	<u>262,336</u>
CAPITAL AND RESERVES			
Called up share capital	16	105	100
Share premium	17	14,245	-
Profit and loss account	17	<u>467,908</u>	<u>262,236</u>
SHAREHOLDERS' FUNDS	20	<u>482,258</u>	<u>262,336</u>

The financial statements for 5 Star Computer Systems Ltd (Registered No 03346768) were approved by the Board of Directors on 19th August 2010 and were signed on its behalf by


N Roberts
Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30 April 2010**

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

Going concern

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 for fixed periods are taken to income in monthly instalments over the relevant contract period. Training and consultancy revenue is recognised as it occurs.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, is being amortised evenly over its estimated useful life of six years.

Tangible fixed assets

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. The total cost charged to income of £2,236 (2009: £nil) represents contributions payable to these schemes by the company at rates specified in the rules of the plan. As at 30 April 2010, there were no contributions due to be paid over to the scheme in respect of the current reporting period (2009: £nil).

Cash flow 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 period until the date the rent is expected to be adjusted to the prevailing market rate.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2010

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

3 **STAFF COSTS**

	2010	2009
	£	£
Wages and salaries	<u>585,350</u>	<u>1,051,309</u>

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

	2010	2009
Sales & marketing	2	4
Software support & training	8	11
Software development	1	2
Administration & management	<u>2</u>	<u>2</u>
	<u>13</u>	<u>19</u>

4 **PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

The profit on ordinary activities before taxation is stated after charging/ (crediting)

	2010	2009
	£	£
Operating leases - other	-	47,490
Depreciation - owned assets	10,222	26,199
Loss on disposal of fixed assets	-	18,617
Goodwill amortisation	-	17,433
Auditors' remuneration	3,681	5,500
Foreign exchange differences	<u>-</u>	<u>(37)</u>

Directors' remuneration for the company has been borne by Iris Group Limited and the amount allocated for their services to this company is £nil (2009 £273,385)

5 **INTEREST RECEIVABLE AND SIMILAR INCOME**

	2010	2009
	£	£
Deposit account interest	25	10,931
Other interest received	<u>-</u>	<u>3</u>
	<u>25</u>	<u>10,934</u>

6 **INTEREST PAYABLE AND SIMILAR CHARGES**

	2010	2009
	£	£
Interest payable	<u>-</u>	<u>681</u>

7 **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 April 2010 or for the year ended 30 April 2009

Notes to the Financial Statements - continued
for the Year Ended 30 April 2010

7 **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

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>305,672</u>	<u>412,721</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	85,588	115,561
Effects of		
Excess of depreciation over capital allowances	522	5,866
Group Relief not paid for	(88,688)	(121,427)
Expenses not deductible for tax purposes	<u>2,578</u>	<u>-</u>
Current tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

Deferred tax assets of £13,751 (2009 £nil) have not been recognised due to the uncertainty over whether the company will generate sufficient taxable profits in the future

8 **DIVIDENDS**

	2010 £	2009 £
Final dividend of £1,000 per share was distributed (2009 £3,000 per share)	<u>100,000</u>	<u>300,000</u>

9 **GOODWILL**

	£
COST	
At 1 May 2009	104,608
Disposals	<u>(104,608)</u>
At 30 April 2010	<u>-</u>
AMORTISATION	
At 1 May 2009	104,608
Eliminated on disposal	<u>(104,608)</u>
At 30 April 2010	<u>-</u>
NET BOOK VALUE	
At 30 April 2009 and at 30 April 2010	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2010

10 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and equipment £	Motor vehicles £	Totals £
COST				
At 1 May 2009	12,723	177,994	32,097	222,814
Additions	-	2,125	-	2,125
Disposals	-	(162,358)	(18,722)	(181,080)
At 30 April 2010	<u>12,723</u>	<u>17,761</u>	<u>13,375</u>	<u>43,859</u>
DEPRECIATION				
At 1 May 2009	7,626	169,385	25,909	202,920
Charge for year	2,544	7,678	-	10,222
Eliminated on disposal	-	(162,254)	(12,536)	(174,790)
At 30 April 2010	<u>10,170</u>	<u>14,809</u>	<u>13,373</u>	<u>38,352</u>
NET BOOK VALUE				
At 30 April 2010	<u>2,553</u>	<u>2,952</u>	<u>2</u>	<u>5,507</u>
At 30 April 2009	<u>5,097</u>	<u>8,609</u>	<u>6,188</u>	<u>19,894</u>

11 STOCKS

	2010 £	2009 £
Finished goods	<u>1,893</u>	<u>5,653</u>

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

12 DEBTORS

	2010 £	2009 £
Amounts falling due within one year		
Trade debtors	225,549	206,541
Other debtors	<u>10,349</u>	<u>10,131</u>
	<u>235,898</u>	<u>216,672</u>
Amounts falling due after more than one year		
Amounts owed by parent undertakings	<u>300,000</u>	<u>300,000</u>
Aggregate amounts	<u>535,898</u>	<u>516,672</u>

The company has agreed that amounts due will not be called upon within a year of the balance sheet date Interest rate charge 0% (2009 0%)

13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Finance leases (see note 15)	-	7,075
Trade creditors	23,686	11,908
Corporation tax	198	198
Social security and other taxes	51,143	72,098
Other creditors	36,457	59,979
Accruals and deferred income	<u>252,824</u>	<u>246,606</u>
	<u>364,308</u>	<u>397,864</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2010

14 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010 £	2009 £
Amounts owed to group undertakings	-	18,972
Amounts owed to parent undertakings	<u>50,364</u>	<u>5,540</u>
	<u>50,364</u>	<u>24,512</u>

The company has agreed that amounts due will not be called upon within a year of the balance sheet date Interest rate charge 0% (2009 0%)

15 OBLIGATIONS UNDER LEASING AGREEMENTS

	2010 £	2009 £
Net obligations repayable		
Within one year	<u>-</u>	<u>7,075</u>

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2010 £	2009 £	2010 £	2009 £
Expiring				
Within one year	-	22,640	400	26,823
Between one and five years	<u>-</u>	<u>-</u>	<u>4,488</u>	<u>10,537</u>
	<u>-</u>	<u>22,640</u>	<u>4,888</u>	<u>37,360</u>

16 SHARE CAPITAL

Authorised				
Number	Class	Nominal value	2010 £	2009 £
1000	Share capital	£1	<u>1,000</u>	<u>1,000</u>

Allotted, called up & fully paid:				
Number	Class	Nominal value	2010 £	2009 £
100	Share capital	£1	<u>105</u>	<u>100</u>

The company issued 5 ordinary shares through the exercise of options held by directors of the company at an exercise price of £2,850 per share, settled in cash

17 RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 May 2009	262,236	-	262,236
Profit for the year	305,672	-	305,672
Dividends	(100,000)	-	(100,000)
Premium on share issue		<u>14,245</u>	<u>14,245</u>
At 30 April 2010	<u>467,908</u>	<u>14,245</u>	<u>482,153</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2010

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) LI C, 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 Societes, 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 **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.

20 **RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

	2010	2009
	£	£
Profit for the financial year	305,672	412,721
Dividends	(100,000)	(300,000)
	205,672	112,721
New share capital subscribed	5	-
New share premium subscribed	14,245	-
Net addition to shareholder's funds	219,922	112,721
Opening shareholder's funds	262,336	149,615
Closing shareholder's funds	482,258	262,336