

## **Streamserve Limited**

Directors' report and financial statements

Registered number 3499627

31 December 2009



## Contents

Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report to the members of Streamserve Limited	3
Profit and loss account	5
Balance sheet	6
Notes	7

## Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 2009

### Principal activity

The principal activity of Streamserve Limited (the "Company") is the provision of eBusiness infrastructure software to third parties. The Company also acts as an interface for the Streamserve group's international sales arm.

### Business review

The results of the business for the year are set out on page 5. In the year the Company made a profit on ordinary activities before tax of £183,922 (2008: loss of £619,778).

Based on its size, the Company has met the requirements in Section 417 Companies Act 2006 to obtain the exemption from the presentation of an enhanced business review.

The financial statements have been prepared on the going concern basis since the parent company, Streamserve AB, has confirmed its intention to continue to provide any necessary financial support for a minimum of twelve months from the date of approval of these financial statements to enable the Company to meet its liabilities as they fall due.

### Proposed dividend

The directors do not recommend the payment of a dividend (2008: £nil).

### Directors

The directors who served during the year and to the date of this report were as follows:

Ulf Kasshag (Swedish)

Tina Santos (resigned 7 May 2010)

Frans Van Woudenberg (appointed 7 May 2010)

### Political and charitable contributions

The Company made no political or charitable contributions or incurred any political expenditure during the year (2008: £nil).

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

In accordance with Section 487 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Annual general Meeting.

By order of the board

Ulf Kasshag  
Director

September 10, 2010  
37 Warren Street  
London  
W1T 6AD

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' Report 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## KPMG LLP

Arlington Business Park  
Theale  
Reading  
RG7 4SD  
United Kingdom

### **Independent auditors' report to the members of Streamserve Limited**

We have audited the financial statements of Streamserve Limited for the year ended 31 December 2009 set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 Directors' Responsibilities Statement set out on page 2, 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 (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **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 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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 auditors' report to the members of StreamServe 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



**Simon Baxter (Senior Statutory Auditor) for and on behalf of**  
**KPMG LLP, Statutory Auditor**  
Chartered Accountants

30 September 2010

## Profit and loss account

*for the year ended 31 December 2009*

	<i>Note</i>	<b>2009 £000</b>	<b>2008 £000</b>
<b>Turnover</b>	<b>2</b>	<b>2,828</b>	<b>3,228</b>
Cost of sales		(896)	(1,092)
<b>Gross profit</b>		<b>1,932</b>	<b>2,136</b>
Operating expenses		(1,654)	(2,502)
<b>Operating profit/(loss)</b>		<b>278</b>	<b>(366)</b>
Interest payable and similar charges	6	(104)	(261)
Interest receivable and similar income	7	10	7
<b>Profit/(loss) on ordinary activities</b>	<b>3-5</b>	<b>184</b>	<b>(620)</b>
Tax on ordinary activities	8	(3)	-
<b>Profit/(loss) for the financial year</b>	<b>15</b>	<b>181</b>	<b>(620)</b>

There were no recognised gains or losses other than those shown above. The results shown above all relate to continuing activities.

## Balance sheet

at 31 December 2009

	Note	2009 £000	2008 £000
<b>Fixed assets</b>			
Tangible assets	9	29	42
<b>Current assets</b>			
Debtors	10	850	1,230
Cash at bank and in hand		287	606
		<u>1,137</u>	<u>1,836</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(6,403)</u>	<u>(7,263)</u>
<b>Net current liabilities</b>		<u>(5,266)</u>	<u>(5,427)</u>
<b>Total assets less current liabilities</b>		<u>(5,237)</u>	<u>(5,385)</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>(15)</u>	<u>(48)</u>
<b>Net liabilities</b>		<u>(5,252)</u>	<u>(5,433)</u>
<b>Capital and reserves</b>			
Called up share capital	13	-	-
Profit and loss account	14	<u>(5,252)</u>	<u>(5,433)</u>
<b>Shareholder's deficit</b>	15	<u>(5,252)</u>	<u>(5,433)</u>

The notes on pages 7 to 16 form part of these financial statements

These financial statements were approved by the board of directors on September 10 2010 and were signed on its behalf by

  
Ulf Kasshag  
Director



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

#### *Going Concern*

The financial statements have been prepared on the going concern basis since the parent company, Streamserve AB has confirmed its intention to continue to provide any necessary financial support for a minimum of twelve months from the date of approval of these financial statements to enable the company to meet its liabilities as they fall due

#### *Fixed assets and depreciation*

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Equipment	5 years
Computers	3 years

#### *Share based payments*

Where a share option programme allows employees to acquire shares of the Company, the fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### *Pensions*

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged in the profit and loss account represents the contributions payable to the scheme in respect of the year.

#### *Leases*

Assets acquired under finance lease are capitalised and the outstanding future obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

#### *Taxation*

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.

## Notes (continued)

### Deferred taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

### Turnover

Turnover represents the amounts (excluding value added tax and net of discounts) derived from the licence and support of software and the provision of services to customers. Software income is recognised on delivery when there is no uncertainty over acceptance and collectability is probable. Support income is recognised rateably over the contracted support period. Where the contract includes multiple elements the revenue is allocated to the undelivered elements based on the fair value of those elements in accordance with the application note to FRS 5.

## 2 Analysis of turnover

<i>By activity</i>	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Trade Activities	1,939	2,183
Intercompany Transactions	889	1,045
	<hr/>	<hr/>
	<b>2,828</b>	<b>3,228</b>
	<hr/>	<hr/>
<i>By geographical market</i>	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
UK & Ireland	1,826	2,084
Europe	124	127
Rest of World	878	1,017
	<hr/>	<hr/>
	<b>2,828</b>	<b>3,228</b>
	<hr/>	<hr/>

## Notes (continued)

### 3 Profit/(loss) on ordinary activities before taxation

Profit/(loss) on ordinary activities before taxation is stated after charging / (crediting) the following

	2009 £000	2008 £000
<i>Profit/(loss) on ordinary activities before taxation is stated after charging</i>		
Depreciation of tangible fixed assets		
- Owned	16	22
Operating lease rentals - Land and buildings	-	105
Exchange loss	91	566
	<hr/>	<hr/>

#### Auditors' remuneration

	2009 £'000	2008 £'000
Audit of these financial statements	20	20
Other services relating to taxation	8	8

Amounts paid to the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent Streamserve AB

### 4 Remuneration of directors

	2009 £000	2008 £000
Directors' emoluments	93	154
Company contributions to money purchase pension schemes	-	-
	<hr/>	<hr/>
	93	154
	<hr/>	<hr/>

No retirement benefits are accruing for any directors

## Notes (continued)

### 5 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the period, analysed by category, was as follows

	2009	2008
	No.	No.
Consulting	3	3
Sales and marketing	3	3
Administration	3	4
	<u>9</u>	<u>10</u>

The aggregate payroll costs of these persons were as follows

	2009	2008
	£000	£000
Wages and salaries	770	940
Social security costs	85	107
Other pension costs	28	27
	<u>883</u>	<u>1,074</u>

### 6 Interest payable

	2009	2008
	£000	£000
Interest payable on loan from group	<u>104</u>	<u>261</u>

### 7 Interest receivable

	2009	2008
	£000	£000
Bank interest receivable	<u>10</u>	<u>7</u>

## Notes (continued)

### 8 Taxation

The current tax charge for the year is £3,000 (2008 £nil)

#### *Factors affecting the tax charge for the current period*

The current tax charge for the year is lower (2008 lower) than the standard rate of corporation tax in the UK of 28%. The differences are explained below

	2009 £000	2008 £000
<i>Current tax reconciliation</i>		
Profit (loss) on ordinary activities before tax	184	(620)
	<hr/>	<hr/>
Current tax at 28% (2008 28.5%)	52	(177)
<i>Effects of</i>		
Expenses not deductible for tax purposes	7	81
Short term timing differences	(2)	2
Depreciation in excess of capital allowances for year	5	6
Tax losses	(59)	88
	<hr/>	<hr/>
Total current tax charge (see above)	3	-
	<hr/>	<hr/>

#### *Deferred tax*

There are unrecognised deferred tax assets at 31 December 2009 as set out below

	2009 £000	2008 £000
Trading losses carried forward	836	1,064
Depreciation in excess of capital allowances	89	105
Short term timing differences	11	14
	<hr/>	<hr/>
	936	1,183
	<hr/>	<hr/>

These assets have not been recognised since there is insufficient persuasive and reliable evidence that the assets will be recovered

#### *Factors affecting the tax charge for future periods*

The standard rate of corporation tax in the UK will change to 27% from 1 April 2011

## Notes (continued)

### 9 Tangible fixed assets

	Computers and equipment £000
<i>Cost</i>	
At beginning of year	151
Additions	4
	<hr/>
At end of year	155
	<hr/>
<i>Depreciation</i>	
At beginning of year	109
Charge for year	17
	<hr/>
At end of year	126
	<hr/>
<i>Net book value</i>	
At 31 December 2009	29
	<hr/>
At 31 December 2008	42
	<hr/>

### 10 Debtors

	2009 £000	2008 £000
Trade debtors	292	414
Amounts owed by group undertakings	503	674
Prepayments and accrued income	55	142
	<hr/>	<hr/>
	850	1,230
	<hr/>	<hr/>

All debtors are due within one year

### 11 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Trade creditors	69	91
Amounts owed to group undertakings	1,050	1,829
Loans received from Streamserve AB	4,492	4,549
Taxation and social security	74	82
Accruals and deferred income	718	712
	<hr/>	<hr/>
	6,403	7,263
	<hr/>	<hr/>

The loans owed to Streamserve AB (interest bearing) carry an interest rate of 1.5% above LIBOR and are due for repayment on 31 December 2010

**Notes** *(continued)*

**12 Creditors: amounts falling due after more than one year**

	2009 £000	2008 £000
Accruals and deferred income	15	48
	<u>15</u>	<u>48</u>

**13 Called up share capital**

	2009 £	2008 £
Allotted, called up and fully paid 2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

**14 Reserves**

	Profit and loss Account £000
At 1 January 2009	(5,433)
Financial Profit for the year	181
	<u>181</u>
At 31 December 2009	(5,252)
	<u>(5,252)</u>

**15 Reconciliation of movement in shareholder's deficit**

	2009 £000	2008 £000
Shareholder's deficit at beginning of year	(5,433)	(4,814)
Profit/(loss) for the year	181	(620)
	<u>181</u>	<u>(620)</u>
Shareholder's deficit at end of year	(5,252)	(5,433)
	<u>(5,252)</u>	<u>(5,433)</u>

## Notes (continued)

### 16 Commitments

Annual commitments under non-cancellable operating leases are as follows

	2009 Land and Buildings £000	2008 Land and Buildings £000
Operating leases which expire		
Within one year	-	52
In the second to fifth years inclusive	-	-
Over five years	-	-
	<u>-</u>	<u>52</u>

### 17 Pension Scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £27,534 (2008 £26,501)

There were no outstanding or prepaid contributions at either the beginning or end of the financial year

The scheme is a money purchase scheme administered by an external insurance company. All employees are eligible for the scheme. The benefits which will be paid are unknown because the level of benefit depends on the return which can be made by investing the contributions. The Company pays into the scheme 5% of eligible salaries

### 18 Related party disclosures

The Company is controlled by Streamserve AB, which is incorporated in Sweden. Streamserve AB provide Streamserve Limited with marketing and financial support. The ultimate controlling party is Streamserve Inc, which is incorporated in the United States of America. Streamserve Inc provides Streamserve Limited with management and corporate support.

Streamserve Limited also trade with the following group companies with exchanges of operating resource and services when needed

Streamserve DS LLC, USA  
 Streamserve SA, France  
 Streamserve B V, The Netherlands  
 Streamserve Deutschland GmbH, Germany  
 Streamserve APS, Denmark  
 Streamserve Norge AS, Norway  
 Streamserve Oy, Finland  
 Streamserve Benelux  
 Streamserve Development, The Netherlands  
 Streamserve s r o, Czech

Transactions with Streamserve Inc were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	433	838	174
Year to 31 December 2008	576	1,015	155
	<u>433</u>	<u>838</u>	<u>174</u>



**Notes (continued)**

**18 Related party disclosures (continued)**

Transactions with Streamserve AB were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	(5,434)	72	419
Year to 31 December 2008	(6,280)	27	999
	<u>          </u>	<u>          </u>	<u>          </u>

Transactions with Streamserve DS LLC were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	-	-	3
Year to 31 December 2008	-	-	5
	<u>          </u>	<u>          </u>	<u>          </u>

Transactions with Streamserve Deutschland GmbH were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	-	10	-
Year to 31 December 2008	-	20	-
	<u>          </u>	<u>          </u>	<u>          </u>

Transactions with Streamserve Oy, Finland were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	-	10	-
Year to 31 December 2008	-	23	-
	<u>          </u>	<u>          </u>	<u>          </u>

Transactions with Streamserve France SAS were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	-	-	-
Year to 31 December 2008	-	-	4
	<u>          </u>	<u>          </u>	<u>          </u>

Transactions with Streamserve Denmark were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	-	-	-
Year to 31 December 2008	-	5	-
	<u>          </u>	<u>          </u>	<u>          </u>

## Notes (continued)

### 18 Related party disclosures (continued)

Transactions with Streamserve Benelux were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	(18)	-	21
Year to 31 December 2008	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>

Transactions with Streamserve Czech were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	-	-	8
Year to 31 December 2008	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>

Transactions with Streamserve Development were as follows

	Year-end balance £000	Turnover £000	Costs £000
Year to 31 December 2009	(20)	-	357
Year to 31 December 2008	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>

The year-end balances outstanding show the net position of Streamserve Limited with each group company as at 31 December 2009

### 19 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Streamserve, Inc, which is the ultimate parent company incorporated in the United States of America

The largest group in which the results of the Company are consolidated is that headed by Streamserve, Inc, a Company which is incorporated in the United States of America. The smallest group in which they are consolidated is that headed by Streamserve AB, which is incorporated in Sweden. The consolidated financial statements of Streamserve, Inc are not available to the public. The consolidated statements of Streamserve AB are available to the public and may be obtained from

Patent-och Registreringsverket  
 Bolagsavdelningen  
 851 81 SUNDSVAL