

Registered no: 04206608

**Infor Global Solutions (Teston) Limited
Annual report
for the year ended 31 May 2010**

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Infor Global Solutions (Teston) Limited

Annual report and financial statements for the year ended 31 May 2010

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Infor Global Solutions (Teston) Limited
Registered no: 04206608

Directors and advisers

Directors

J B Kasper
G M Giangiordano
G Czasznicki
G Bisnought
A Oldroyd

Secretary

G M Giangiordano

Independent Registered Auditors

Ernst & Young LLP
Apex Plaza
Forbury Road
Reading
Berkshire
RG1 1YE

Registered Office

The Phoenix Building
Central Boulevard
Blythe Valley Park
Shirley
Solihull
West Midlands
B90 8BG

Infor Global Solutions (Teston) Limited

Registered no: 04206608

Directors' report for the year ended 31 May 2010

The directors present their annual report and the audited financial statements of the company for the year ended 31 May 2010

Principal activities

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

Review of business and future developments

License management has continued to be a growth area for the Infor Group, especially in a global downturn, ensuring that the group's customers are using their software in accordance with their license, resulting in higher revenue levels. This has increased the profitability of the company

The company intends to build on its strong customer base and the breadth of customers available to it in the group headed by Infor Global Solutions Intermediate Holdings Limited (the "Infor group"), to maximise its revenue. The Infor group of companies is committed to develop the products it owns in order to be extremely competitive

The directors believe that the company's trading position is good and that the prospects for the future are in line with expectations

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks and uncertainties

The key financial business risks and uncertainties affecting the company are considered to be competition from a limited number of key international providers of software and credit risk of customers, combined with the general economic environment

In order to minimise the competition risk the company receives feedback from its customers which it then uses to develop and enhance existing products. In order to minimise credit risk, the company requires appropriate credit checks to be made on potential customers

Financial risk management

The company makes and receives payments in foreign currencies. The company is part of the Infor group's Treasury policy and does not use financial instruments for speculative purposes

Key performance indicators (KPIs)

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Results and dividends

The profit after tax for the year ended 31 May 2010 amounted to £1,437,000 (2009 £911,000) which has been transferred to reserves. The directors do not recommend the payment of a dividend in 2010 (2009 £nil)

Directors

The directors who served the company during the period and up to the date of signing these financial statements are as follows

G Bisnought
G M Giangiordano
J B Kasper
G Czasznicki
A Oldroyd

The company has provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006

Infor Global Solutions (Teston) Limited
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Directors' report for the year ended May 2010 (continued)

Research and development

Research and development costs incurred were £303,000 (2009 £343,000)

Statement of directors' responsibilities

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 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 judgments and accounting 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,
- 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 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.

Going concern

The company's results and financial position are laid out in the profit & loss account, balance sheet and related notes. The directors' report contains a review of business and future prospects, together with the policies and processes for its financial risk management. The company participates in the Infor Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The company is expected to continue to generate positive cash flows on its own account for the foreseeable future.

The directors have also considered the group's strategy and, based on the responses to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Infor Global Solutions Intermediate Holdings Limited to continue as a going concern or its ability to continue with current banking arrangements. On the basis of these enquiries, the company's directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future and thus continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor are unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent auditors

Pursuant to section 487 (2) of the Companies Act 2006, the company has elected to dispense with the obligation to appoint auditors annually and as such Ernst & Young LLP will remain in office.

By order of the Board



A Oldroyd
Director

14 December 2010

Independent auditors' report to the members of Infor Global Solutions (Teston) Limited

We have audited the financial statements of Infor Global Solutions (Teston) Limited for the year ended 31 May 2010 which comprise the profit and loss account, the balance sheet and the related notes 1 to 18. 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 Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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

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

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 May 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 Directors' Report 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.

Ernst & Young LLP

Nick Powell (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Reading

15-12-10

Infor Global Solutions (Teston) Limited

Profit and loss account for the year ended 31 May 2010

	Note	2010 £'000	2009 £'000
Turnover	2	5,387	5,150
Cost of sales		(303)	(335)
Gross profit		5,084	4,815
Selling and marketing expenses		(1,483)	(1,524)
Administrative expenses		(2,168)	(2,425)
Operating profit	3	1,433	866
Interest receivable and similar income	6	4	33
Profit on ordinary activities before taxation		1,437	899
Tax credit on profit on ordinary activities	7	-	12
Profit for the year	15, 16	1,437	911

All activities are derived from continuing operations

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented

Infor Global Solutions (Teston) Limited**Registered no: 04206608****Balance sheet as at 31 May 2010**

	Note	2010 £'000	2009 £'000
Fixed assets			
Intangible fixed assets	8	19	44
Tangible assets	9	95	207
		114	251
Current assets			
Debtors	10	10,129	7,130
		10,129	7,130
Creditors amounts falling due within one year	11	(7,994)	(6,529)
Net current assets		2,135	601
Total assets less current liabilities		2,249	852
Provisions for liabilities and charges	12	-	(40)
Net assets		2,249	812
Capital and reserves			
Called up share capital	14	6	6
Reserves	15	2,243	806
Total equity shareholders' funds	16	2,249	812

The financial statements on pages 7 to 15 were approved by the Board of Directors on 14 December 2010 and were signed on its behalf by



A Oldroyd
Director

Infor Global Solutions (Teston) Limited

Notes to the financial statements for the year ended 31 May 2010

1 Accounting policies

Basis of preparation

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Cash flow statement and related party transactions

The company is a wholly owned subsidiary of Infor Global Solutions Intermediate Holdings Limited and is included in the consolidated financial statements of Infor Global Solutions Intermediate Holdings Limited, which is incorporated in the Cayman Islands and these financial statements are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1. The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Infor Global Solutions Intermediate Holdings Limited group or investees of the Infor Global Solutions Intermediate Holdings Limited group, there are no other related party transactions.

Intangible fixed assets

Intangible fixed assets are stated at historic purchase cost less provision for impairment. Intellectual property is amortised over its estimated useful economic life of 3 years, being the period expected to benefit from the asset. The directors will perform an impairment review when there is an indicator of impairment.

Tangible fixed assets and depreciation

Fixed assets are included in the balance sheet at historical purchase cost less provision for impairment and accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write-off the cost of tangible fixed assets, less their residual values, on a straight line basis. Their expected useful lives of the assets to the business are reassessed periodically in the light of experience. The rates of depreciation are as follows:

Leasehold improvements	over the life of the lease
Fixtures and fittings	7 years
Software and computer equipment	3 years

An impairment review is carried out when there is evidence of a triggering event.

Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling at the average rate for the month in which the transaction occurred. All gains or losses on translation are taken to the profit and loss account when incurred.

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

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 an undiscounted basis.

Infor Global Solutions (Teston) Limited

Notes to the financial statements for the year ended 31 May 2010 (continued)

1 Accounting policies (continued)

Provisions

A provision is recognised in the balance sheet when the company has a legal or constructive obligation as result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability. A provision for onerous contracts is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Operating lease agreements

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Turnover

Turnover represents commission fees receivable from fellow subsidiary undertakings. The commission fees are recognised when the resellers recognise the turnover of the related goods and services.

Research and development expenditure

Research and development expenditure is written off in the profit and loss account in the year in which it is incurred.

2 Turnover

There is only one class of business. The company's turnover originates in the UK. The destination of the company's turnover by geographical region is:

	2010	2009
	£'000	£'000
UK and Ireland	180	327
Europe	1,819	1,372
Americas	2,681	2,306
Asia Pacific	707	1,145
	5,387	5,150

3 Operating profit

Operating profit is stated after charging:

	2010	2009
	£'000	£'000
Research and development expenditure	303	343
Depreciation of owned tangible fixed assets	114	111
Goodwill amortisation	25	25
Foreign exchange losses	440	65
Operating lease rentals - plant and machinery	7	18
- other	60	67

Auditors' remuneration has been borne by Infor Global Solutions (Midlands II) Limited, a fellow group company. It is estimated that an amount of £10,000 (2009: £10,000) relates to this company.

Infor Global Solutions (Teston) Limited

Notes to the financial statements for the year ended 31 May 2010 (continued)

4 Staff costs

	2010	2009
	£'000	£'000
Wages and salaries	1,642	1,590
Social security costs	148	126
Other pension costs	53	44
Redundancy costs	4	-
	1,847	1,760

The company makes payments to a personal defined contribution pension scheme. The pension cost charge represents the contributions payable by the company. At 31 May 2010 contributions of £nil (2009 £nil) were outstanding.

The monthly average number of employees, including directors, during the year was as follows:

	2010	2009
	No.	No.
Sales and marketing	48	46
Research and development	6	8
Administration	7	7
	61	61

5 Directors' emoluments

Directors' emoluments are borne by other group companies within the Infor Global Solutions group, since these directors are either officers or directors of other group companies. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for either period.

6 Interest receivable and similar income

	2010	2009
	£'000	£'000
Intercompany interest (note 10)	4	33

Infor Global Solutions (Teston) Limited

Notes to the financial statements for the year ended 31 May 2010 (continued)

7 Tax credit on profit on ordinary activities

(a) Tax credit on profit on ordinary activities

	2010 £'000	2009 £'000
Current tax		
UK Corporation tax at 28% (2009 28%)	-	-
Adjustment in respect of prior years	-	(12)
Tax credit on profit on ordinary activities	-	(12)

(b) Factors affecting the tax charge for the year

The tax on the profit on ordinary activities for the year is lower (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 28%). The differences are explained below

	2010 £'000	2009 £'000
Profit on ordinary activities before taxation	1,437	899
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 29.7%)	402	252
Effect of:		
Disallowed expenses	9	9
Capital allowances in excess of depreciation	32	31
Group relief received for no charge	(443)	(292)
Adjustments in respect of prior years	-	(12)
Current tax credit for the year	-	(12)

(c) Deferred tax

	Deferred tax asset recognised		Full potential deferred tax asset	
	2010 £000	2009 £000	2010 £000	2009 £000
Capital allowances in excess of depreciation	-	-	87	54

In accordance with company accounting policy, the directors have not recognised deferred tax assets because it is more likely than not that there will not be sufficient taxable profits, after available group relief, in the foreseeable future, from which the reversal of the underlying timing differences can be deducted

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement. The Finance (No 2) Act 2010 was enacted in July 2010 and reduces the main rate of corporation tax from 28% to 27% from 1 April 2011. Further reductions are proposed to be enacted separately each year with the aim of reducing the rate by 1% per annum to 24% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements. The company is currently assessing the impact of these changes.

Infor Global Solutions (Teston) Limited

Notes to the financial statements for the year ended 31 May 2010 (continued)

8 Intangible fixed assets

	Goodwill £'000
Cost:	
At 1 June 2009 and 31 May 2010	75
Accumulated depreciation:	
At 1 June 2009	31
Charge for the year	25
At 31 May 2010	56
Net book value:	
At 31 May 2010	19
At 31 May 2009	44

The goodwill arose on the purchase of some trade and net assets of Entropy Limited in January 2008

9 Tangible fixed assets

	Leasehold improvements £'000	Fixtures & fittings £'000	Software & computer equipment £'000	Total £'000
Cost:				
At 1 June 2009	1	32	616	649
Additions	-	-	2	2
At 31 May 2010	1	32	618	651
Accumulated depreciation:				
At 1 June 2009	1	6	435	442
Provided during the year	-	4	110	114
At 31 May 2010	1	10	545	556
Net book value:				
At 31 May 2010	-	22	73	95
At 31 May 2009	-	26	181	207

Infor Global Solutions (Teston) Limited

Notes to the financial statements for the year ended 31 May 2010 (continued)

10 Debtors

	2010 £'000	2009 £'000
Amounts owed by group undertakings	10,064	7,055
Prepayments and accrued income	46	56
Corporation tax recoverable	19	19
	10,129	7,130

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand, apart from an amount of £nil at 31 May 2010 (2009 US\$143,000/£90,000) which is unsecured, incurs interest at the US Federal Reserve Federal Funds rate plus 2% and are repayable on demand

11 Creditors: amounts falling due within one year

	2010 £'000	2009 £'000
Trade creditors	49	42
Amounts owed to group undertakings	7,884	6,405
Accruals and deferred income	61	82
	7,994	6,529

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand

12 Provisions for liabilities and charges

	Property provision £'000
At 1 June 2009	40
Additions in the year	13
Released at end of the lease	(53)
At 31 May 2010	-

During the year the lease was re-negotiated, and as part of this negotiation the landlord did not require dilapidations to be made good, and so the provision for these was released

13 Commitments under operating leases

At 31 May 2010 the company had annual commitments under non-cancellable operating leases as set out below

	Other £'000	2010 Land and buildings £'000	Other £'000	2009 Land and buildings £'000
Operating leases which expire				
Within one year	6	-	6	12
Between 1 and 2 years	2	-	-	-
In two to five years	-	-	2	-
	8	-	8	12

The property occupied by the company is leased by a fellow group company, and therefore the commitment is disclosed in that entity, with Infor Global Solutions (Teston) Limited being recharged for the use of the building

Infor Global Solutions (Teston) Limited

Notes to the financial statements for the year ended 31 May 2010 (continued)

14 Called up share capital

Authorised share capital:

	2010 £'000	2009 £'000
10,000 Ordinary shares of £1 00 each	10	10

Allotted, called up and fully paid:

	No.	2010 £'000	No.	2009 £'000
Ordinary shares fully paid of £1 00 each	6,001	6	6,001	6

15 Reserves

	Capital redemption reserve £'000	Profit and loss account £'000	Total 31 May 2010 £'000
At 1 June 2009	2	804	806
Profit for the financial year	-	1,437	1,437
At 31 May 2010	2	2,241	2,243

16 Reconciliation of movements in equity shareholders' funds/(deficit)

	2010 £'000	2009 £'000
Profit for the financial year	1,437	911
Net increase in equity shareholder's funds	1,437	911
Opening equity shareholders' funds/(deficit)	812	(99)
Closing equity shareholders' funds	2,249	812

17 Guarantees and other financial commitments

On July 28, 2006 Infor Global Solutions Intermediate Holdings Limited, the ultimate controlling company, and certain of its subsidiaries, as borrowers, entered into a credit agreement with a banking syndicate led by J P Morgan Chase Bank, N A (as previously amended and amended and restated from time to time, including a second amendment dated 12 April 2010) Various subsidiary companies including this company have provided a guarantee secured by stock and/or additional assets of those companies This credit facility was available for working capital needs, acquisitions, and other general corporate purposes of these entities

18 Ultimate parent company

The immediate parent is Infor Global Solutions (Teston II) Limited, a company incorporated in England and Wales The ultimate parent undertaking is Golden Gate Capital a private equity firm based in the United States of America

The ultimate controlling party is Infor Global Solutions Intermediate Holdings Limited, a company incorporated in the Cayman Islands This is the parent undertaking of the largest and smallest group to consolidate these financial statements These financial statements are publicly available from its registered office at M&C Corporate Services Limited, PO Box 309 GT, Uglund House, South Church Street, George Town, Grand Cayman, Cayman Islands