

Company Registration No. 2453476

**MFP TECHNOLOGY SERVICES (UK)
LIMITED**

Report and Financial Statements

31 March 2008

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MFP TECHNOLOGY SERVICES (UK) LIMITED

REPORT AND FINANCIAL STATEMENTS 2008

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MFP TECHNOLOGY SERVICES (UK) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

Fraser R Berrill (Canada) (resigned 31 December 2008)
Stephen Nickel (USA) (appointed 16 October 2008)

SECRETARY

K M Robinson

REGISTERED OFFICE

12th Floor
6 New Street Square
New Fetter Lane
London
EC4A 3BF

BANKERS

HSBC plc
Arndale Centre
Chester Road
Stretford
Manchester
M32 9BH

SOLICITORS

DMH Stallard
6 New Street Square
New Fetter Lane
London
EC4A 3BF

AUDITORS

Deloitte LLP
Chartered Accountants and Registered Auditors
Manchester
United Kingdom

DIRECTOR'S REPORT

The directors present their annual report together with the financial statements and auditors' report, for the year ended 31 March 2008. The directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

ACTIVITIES

The principal activity of the company is the buying and selling of new and used computer hardware.

RESULTS AND DIVIDENDS

The profit and loss account is set out on page 5 and shows the profit for the year and the preceding year. No dividends were paid during the year (2007 – same).

DIRECTORS

The directors of the company during the year were:

Fraser R Berrill (Canada) (resigned 31 December 2008)

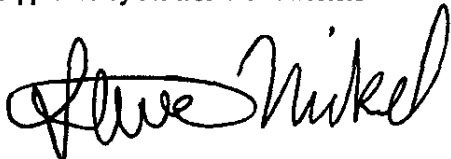
AUDITORS

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Approved by the Board of Directors



Stephen Nickel

Director

4/3/2009

(3 April 2009)

MFP TECHNOLOGY SERVICES (UK) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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; 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 proper accounting records that 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 1985. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MFP TECHNOLOGY SERVICES (UK) LIMITED

We have audited the financial statements of MFP Technology Services (UK) Limited for the year ended 31 March 2008 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 the director and the auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice) are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
Manchester, United Kingdom

9 April 2009

MFP TECHNOLOGY SERVICES (UK) LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 March 2008

	Note	2008 £	2007 £
TURNOVER	2	4,080,682	4,868,614
Cost of sales		(3,912,650)	(4,487,246)
GROSS PROFIT		168,032	381,368
Administrative expenses		(250,299)	(148,435)
OPERATING (LOSS)/PROFIT	4	(82,267)	232,933
Interest earned on intercompany loans		285,949	274,079
Interest payable and similar charges	5	-	(6,450)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		203,682	500,562
Tax on profit on ordinary activities	6	(60,804)	(138,295)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR	12,13	142,878	362,267

All activities derive from continuing operations.

There are no recognised gains or losses in either year other than the profit for that year. Accordingly, a separate statement of total recognised gains and losses has not been prepared

MFP TECHNOLOGY SERVICES (UK) LIMITED

BALANCE SHEET 31 March 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	7	13,868	40,844
CURRENT ASSETS			
Stocks	8	425,018	486,111
Debtors	9	7,031,260	5,938,221
Cash at bank and in hand		933,900	550,625
		<u>8,390,178</u>	<u>6,974,957</u>
CREDITORS: amounts falling due within one year	10	<u>(1,877,290)</u>	<u>(631,923)</u>
NET CURRENT ASSETS		<u>6,512,888</u>	<u>6,343,034</u>
TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS		<u>6,526,756</u>	<u>6,383,878</u>
CAPITAL AND RESERVES			
Called up share capital	11	10,000	10,000
Profit and loss account	12	6,516,756	6,373,878
SHAREHOLDERS' FUNDS	13	<u>6,526,756</u>	<u>6,383,878</u>

These financial statements were approved by the Board of Directors on 3/4/2009 and signed on its behalf.

Nickel (SN 4/3/09)
Stephen Nickell - Director

Steve Nickel 4/3/2009

MFP TECHNOLOGY SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2008

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

Basis of accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company's business activities are set out in the Directors' Report. Given that the company has considerable cash resources, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life of between 3 to 5 years.

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Leases

Operating lease rentals are charged to income in equal annual amounts over the lease term.

Taxation

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

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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore 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 from which the future reversal of the 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 a non-discounted basis.

MFP TECHNOLOGY SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2008

1. ACCOUNTING POLICIES (continued)

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date.

Cash flow statement

The company has taken advantage of the exemption conferred by FRS 1 "Cash Flow Statements" in not producing a cash flow statement as it is a wholly owned subsidiary of a Canadian company which produces consolidated financial statements including a consolidated cash flow statement.

Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. Turnover is recognised in the period in which goods are despatched or services are rendered.

2. TURNOVER

The turnover and pre-tax profit, all of which arises in the United Kingdom, is attributable to one activity, the sale of new and used computer hardware.

3. INFORMATION REGARDING DIRECTOR AND EMPLOYEES

The director received no remuneration from the company (2007 – £Nil).

	2008 No	2007 No
Average number of persons employed		
Sales and distribution	6	6
	£	£
Staff costs during the year		
Wages and salaries	200,830	164,492
Social security costs	24,549	19,837
	225,379	184,329

4. OPERATING (LOSS)/PROFIT

	2008 £	2007 £
Operating (loss)/profit is stated after charging/(crediting):		
Depreciation – owned assets	26,976	15,178
Rentals under operating leases	49,716	29,473
Foreign exchange (gain)/loss	(11,780)	41,635
Auditors' remuneration	16,400	20,050

MFP TECHNOLOGY SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2008

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
Other interest	-	6,450

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2008 £	2007 £
Current tax		
United Kingdom corporation tax	52,071	112,177
Adjustment in respect of previous periods	-	28,438
	52,071	140,615
Foreign tax suffered	29,394	26,875
Foreign tax (relief)	(29,394)	(26,875)
Total current tax	52,071	140,615
Deferred tax:		
Origination and reversal of timing differences	8,733	(1,836)
Adjustment in respect of previous periods	-	(484)
Total deferred tax (note 15)	8,733	(2,320)
Tax on profit on ordinary activities	60,804	138,295

The tax charge for the year differs from the standard rate of corporation tax in the UK of 30% (2007: 30%)

	2008 £	2007 £
The differences are explained below:		
Profit on ordinary activities before taxation	203,682	500,562
Tax at 30% thereon	61,105	150,169
Income not taxable for tax purposes	-	(40,891)
Expenses not deductible for tax purposes	323	-
Capital allowances for period in excess of depreciation	5,340	883
Movement in short term timing differences	(14,697)	2,016
Adjustments to tax charge in respect of previous periods	-	28,438
Current tax charge for the year	52,071	140,615

MFP TECHNOLOGY SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2008

7. TANGIBLE FIXED ASSETS

	Equipment £
Cost	
At 1 April 2007 and at 31 March 2008	108,679
Accumulated depreciation	
At 1 April 2007	67,835
Charge for the year	26,976
At 31 March 2008	94,811
Net book value	
At 31 March 2008	13,868
At 31 March 2007	40,844

8. STOCKS

	2008 £	2007 £
Goods for resale	425,018	486,111

9. DEBTORS

	2008 £	2007 £
Trade debtors	353,450	613,048
Other debtors	-	48,177
Amount due from group undertakings	6,647,009	5,235,426
Deferred tax (note 15)	6,141	14,874
Corporate tax recoverable	24,660	26,696
	7,031,260	5,938,221

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Trade creditors	135,219	142,413
Amounts due to group undertakings	1,552,297	329,003
Foreign tax payable	3,047	-
Other taxation and social security costs	4,160	5,163
Accruals	182,567	155,344
	1,877,290	631,923

MFP TECHNOLOGY SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2008

11. CALLED UP SHARE CAPITAL

	2008 £	2007 £
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
Called up, allotted and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000

12. RESERVES

	Profit and loss account £
At 1 April 2007	6,373,878
Retained profit for the year	142,878
At 31 March 2008	6,516,756

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Profit for the year	142,878	362,267
Net increase in shareholders' funds	142,878	362,267
Opening shareholders' funds	6,383,878	6,021,611
Closing shareholders' funds	6,526,756	6,383,878

14. OPERATING LEASE COMMITMENTS

At 31 March 2008 the company was committed to making the following payments during the next year in respect of operating leases:

	Land and buildings 2008 £	Land and buildings 2007 £
Leases which expire:		
Within two to five years	22,736	22,736
	22,736	22,736

MFP TECHNOLOGY SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2008

15. DEFERRED TAXATION

The movement in the deferred tax asset during the year was as follows:

	£
Balance at 1 April 2007	14,874
Charge to profit and loss account (note 6)	(8,733)
Balance at 31 March 2008 (note 9)	<u>6,141</u>

The deferred tax asset consists of the following amounts:

	2008 £	2007 £
Accelerated capital allowances	3,825	(1,159)
Other timing differences	2,316	16,033
	<u>6,141</u>	<u>14,874</u>

16. ULTIMATE PARENT COMPANY

At the year end the director considers that the ultimate parent company is Renasant Financial Partners Limited (formerly Clearlink Capital Corporation), a public company registered in Canada. A copy of their latest financial statements can be obtained from 55 City Centre Drive, Suite 800, Mississauga, Ontario, L5B 1M3, Canada.

After 26 June 2008 (see note 18), the immediate parent is Global Source LLC. The director considers that there is no ultimate controlling party.

17. RELATED PARTY DISCLOSURES

The company is taking advantage of the exemption in FRS8, "Related Party Disclosures" para. 3c, not to disclose transactions between companies of the same group.

18. SUBSEQUENT EVENTS

On 26 June 2008, Renasant Financial Partners Limited (formerly Clearlink Capital Corporation) sold the entire share capital of MFP Technology Services (UK) Limited to Global Source LLC, a company incorporated in the USA.