

Company Registration No 2585601

Hire Information Technology Limited

Report and Financial Statements

Year ended 31 December 2011



Hire Information Technology Limited

Report and financial statements for the year ended 31 December 2011

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Hire Information Technology Limited

Officers and professional advisors

Directors

J J McFarlane (Appointed 4th January 2011)
L McFarlane (Appointed 4th January 2011)
J Unsworth (Appointed 4th January 2011)
M A J O'Connor

Secretary

L McFarlane

Registered Office

Magnum House
Cookham Road
Bracknell
Berkshire
RG12 1RB

Bankers

HSBC Holdings plc
141, Bothwell Street
Glasgow
G2 7AQ

Lawyers

Berwin Leighton Paisner LLP
Adelaide House,
London Bridge,
London EC4R 9HA

Auditors

KPMG LLP
191 West George Street
Glasgow
G2 2LJ

Hire Information Technology Limited

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2011

The accounting reference date has been changed to 31 December. The current period therefore relates to a 362 day period from 4 January 2011 to 31 December 2011. This change results from the acquisition of the company by I T. Xchange Limited, effective 4 January 2011.

The Company has taken advantage of the small company exemptions to not prepare a business review.

Principal activity

The Company holds the title to the freehold of Magnum House, the headquarters for the parent company, Hamilton Services Group Ltd and its subsidiaries. The company is non-trading.

Results

The company was acquired by IT Xchange Ltd on 4th January 2011.

The Company has not traded during the year, with the only transaction being depreciation on Magnum House. The results are set out in the profit and loss account on page 6.

Directors

The directors, who held office during the year, and up to the date of approval of this report, were as follows:

M O'Connor	
J McFarlane	(Appointed 4 th January 2011)
L McFarlane	(Appointed 4 th January 2011)
G K Sutherland	(Resigned 7 th June 2012)
J Unsworth	(Appointed 4 th January 2011)

Directors' qualifying third party indemnity provision

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

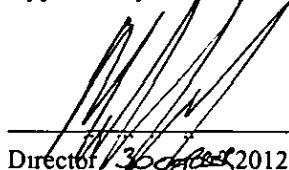
Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



Director 30 Dec 2012

MARTIN O'CONNOR.

Hire Information Technology Limited

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.

Independent auditor's report to the members of Hire Information Technology Limited

We have audited the financial statements of Hire Information Technology Limited for the year ended 31 December 2011 set out on pages 5 to 9. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (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/private.cfm.

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 2011 and of its loss 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.

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.



B Marks (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
191 West George Street
Glasgow
G2 2LJ

8 November 2012

Hire Information Technology Limited

Profit and loss account

For the year ended 31 December 2011

	Note	Year ended 31 December 2011 £	Year ended 3 January 2011 £
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(38,636)	(38,636)
Other operating income		24,648	24,648
Operating loss		(13,988)	(13,988)
Loss on ordinary activities before taxation	2	(13,988)	(13,988)
Taxation on profit on ordinary activities		-	-
Retained (loss) for the year		(13,988)	(13,988)

Other operating revenue relates to the recharge of the cost of Magnum House to its fellow subsidiary

All results arise from continuing operations

There are no recognised gains or losses for the current period or prior year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been presented

Hire Information Technology Limited

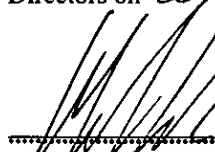
Balance sheet

As at 31 December 2011

	Note	31 December 2011 £	3 January 2011 £
Fixed assets			
Tangible assets	3	1,355,861	1,394,497
		<u>1,355,861</u>	<u>1,394,497</u>
Current assets			
Debtors	4	3,223,812	3,199,164
		<u>3,223,812</u>	<u>3,199,164</u>
Net current assets		<u>3,223,812</u>	<u>3,199,164</u>
Total assets less current liabilities		<u>4,579,673</u>	<u>4,593,661</u>
Net assets		<u>4,579,673</u>	<u>4,593,661</u>
Capital and reserves			
Called up share capital	5	100,000	100,000
Share premium account	6	2,340,041	2,340,041
Capital revaluation account	6	493,301	507,289
Profit and loss account	6	1,646,331	1,646,331
		<u>4,579,673</u>	<u>4,593,661</u>
Equity shareholders' funds		<u>4,579,673</u>	<u>4,593,661</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006

The financial statements of Hire Information Technology Ltd (registered no 2585601) were approved by the Board of Directors on 30 OCTOBER 2012 and were signed on its behalf by


Director

MARTIN O'CONNOR

Hire Information Technology Limited

Notes to the financial statements For the period ended 31 December 2011

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention except for the revaluation of the property, and in accordance with applicable United Kingdom accounting standards

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £6,224,000. The directors believe this to be appropriate for the reasons noted below

Cash flow forecasts have been prepared for the period through to 31 December 2013, including sensitivity analysis, taking into account the current trading environment and the key financial risks facing the business. In October 2012 the Xchange Technology Group LLC secured funding from a new lender. The directors are at an advanced stage with this new funder to secure an additional committed facility for the group's operations in the UK.

The projections prepared by the directors show that the company will be able to operate within these facilities, albeit there are periods where the headroom is small and therefore the company has identified mitigating steps to be taken during these periods should the need arise.

While the directors cannot envisage all possible circumstances that may impact the company in the future, the directors believe that taking account of the forecasts, future plans and funding levels, the company has sufficient resources to meet all debts as they fall due for the foreseeable future. Accordingly, after making reasonable enquiries the directors have a reasonable expectation that the company can continue to operate as a going concern for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

Basis of preparation

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996).

Tangible fixed assets and depreciation

Tangible fixed assets are stated at valuation less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less the estimated residual value, of each asset by equal instalments over their estimated useful economic lives as follows:

Freehold property - 2% per annum

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	Year ended 31 December 2011 £	Year ended 3 January 2011 £
Depreciation of tangible fixed assets	38,636	38,636

Auditors' remuneration of £23,000 is borne by the Company's parent company, Hamilton Services Group Ltd, and was not recharged in either year.

The directors received remuneration paid by Hamilton Services Group Ltd in respect of their services to group companies. The portion of this that relates to this company is £nil (3 January 2011 - £nil).

Hire Information Technology Limited

Notes to the financial statements For the period ended 31 December 2011

3. Tangible fixed assets

The freehold building was valued by an external firm of chartered surveyors as at 3rd January 2011. In the view of the board the value of the building disclosed in these accounts is not materially different to the external valuation received and, consequently, the directors do not propose any change to the value of the building at this date.

	Freehold Property £
Valuation	
As at 3 January 2011	1,500,000
At 31 December 2011	<u>1,500,000</u>
Depreciation	
As at 3 January 2011	105,503
Charge for the period	<u>38,636</u>
At 31 December 2011	<u>144,139</u>
Net book value	
At 31 December 2011	<u>1,355,861</u>
As at 3 January 2011	<u>1,394,497</u>

4. Debtors

	Year ended 31 December 2011 £	Year ended 3 January 2011 £
Amounts owed by group undertakings	<u>3,223,812</u>	<u>3,199,164</u>

5. Called up share capital

	Year ended 31 December 2011 £	Year ended 3 January 2011 £
Authorised		
5,000,000 ordinary shares of £0.10 each	<u>500,000</u>	<u>500,000</u>
Called up, allotted and fully paid		
1,000,000 ordinary shares of £0.10 each	<u>100,000</u>	<u>100,000</u>

Hire Information Technology Limited

Notes to the financial statements For the period ended 31 December 2011

6. Reserves

	Share premium account £	Capital revaluation account £	Profit and loss account £
At 3 January 2011	2,340,041	507,289	1,646,331
Result for the year	-	-	(13,988)
Transfer from revaluation reserve for excess depreciation	-	(13,988)	13,988
At 31 December 2011	<u>2,340,041</u>	<u>493,301</u>	<u>1,646,331</u>

7. Reconciliation of movement in shareholder's funds

	Year ended 31 December 2011 £	Year ended 3 January 2011 £
Result for the period	(13,988)	(13,988)
Revaluation gain	-	-
Opening shareholder's funds	<u>4,593,661</u>	<u>4,607,649</u>
Closing shareholder's funds	<u>4,579,673</u>	<u>4,593,661</u>

8. Related party transactions

The company has taken advantage of the exemption for disclosures of related party transactions contained in Financial Reporting Standard 8 to wholly owned subsidiaries of companies with publicly available financial statements

9. Ultimate parent undertaking

The company's ultimate parent undertaking at the balance sheet date was Xchange Technology Group LLC, a Delaware registered company, registered in the USA, at 9241, Globe Center Drive, Morrisville, North Carolina, USA

10. Contingent Liability

The bank held a cross guarantee and debenture containing charges over all the assets and rights of Hire Information Technology Limited and parent undertakings in respect of borrowings by the group companies