

**Specialist Computers International
Limited**

Report and Financial Statements

31 March 2009



SPECIALIST COMPUTERS INTERNATIONAL LIMITED

REPORT AND FINANCIAL STATEMENTS 2009

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SPECIALIST COMPUTERS INTERNATIONAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS FOR THE ENDED 31 MARCH 2009

DIRECTORS

Sir Peter Rigby
J P Rigby

REGISTERED OFFICE

James House
Warwick Road
Birmingham
B11 2LE

BANKERS

Barclays Bank plc
15 Colmore Row
Birmingham
B3 2WN

SOLICITORS

Wragge & Co LLP
55 Colmore Row
Birmingham
B3 2AS

AUDITORS

Deloitte LLP
Chartered Accountants
Four Brindleyplace
Birmingham
B1 2HZ

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 March 2009.

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.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is to act as an intermediary holding company. The directors expect the general level of activity to continue in the foreseeable future.

RESULTS AND DIVIDENDS

The audited financial statements for the year ended 31 March 2009 are set out on pages 5 to 15. The profit for the year after taxation was £2,539,000 (2008 - loss after taxation of £36,000).

The directors do not recommend the payment of a dividend (2008 - £ Nil).

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has access to 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. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

DIRECTORS

The directors who served during the year and subsequently were as follows:

Sir Peter Rigby
J P Rigby

Directors' indemnities

The company has made qualifying third party indemnity provision for the benefit of its directors which were made during the year and remain in force at the date of this report.

AUDITORS

Each of the directors at the date of approval of this report confirms that:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the directors has taken all steps that they ought to have taken as a director to make themselves 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 S234ZA of the Companies Act 1985.

A resolution to reappoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of directors
and signed on behalf of the Board.



Sir Peter Rigby
Director
26 January 2010

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 such 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 the period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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 SPECIALIST COMPUTERS INTERNATIONAL LIMITED

We have audited the financial statements of Specialist Computers International Limited for the year ended 31 March 2009 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 17. 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 directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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 other 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 audit 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 company's affairs as at 31 March 2009 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 directors' report is consistent with the financial statements

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
Birmingham, UK

29 January 2010

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009

| | Note | 2009 £'000 | 2008 £'000 |
|--|------|---------------|---------------|
| Administrative (expenses) income | | (53) | 502 |
| OPERATING (LOSS) PROFIT | | (53) | 502 |
| Finance income (charges) (net) | 2 | 2,650 | (476) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 3 | 2,597 | 26 |
| Tax on profit on ordinary activities | 5 | (58) | (62) |
| PROFIT (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION | 13 | 2,539 | (36) |

All activities derive from continuing operations.


There are no recognised gains or losses in either year other than the result for that year; accordingly, no statement of recognised gains and losses is presented.

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

BALANCE SHEET 31 MARCH 2009

| | Note | 2009 £'000 | 2008 £'000 |
|--|------|---------------|---------------|
| FIXED ASSETS | | | |
| Tangible assets | 6 | - | - |
| Investments | 7 | 3,024 | 9,071 |
| | | <u>3,024</u> | <u>9,071</u> |
| CURRENT ASSETS | | | |
| Debtors | 8 | 6,148 | 5,031 |
| Cash at bank and in hand | | 1,076 | 1,500 |
| | | <u>7,224</u> | <u>6,531</u> |
| CREDITORS: Amounts falling due within one year | 9 | (531) | (6,424) |
| NET CURRENT ASSETS | | <u>6,693</u> | <u>107</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>9,717</u> | <u>9,178</u> |
| CREDITORS: Amounts falling due after more than one year | 10 | (2,999) | (4,999) |
| NET ASSETS | | <u>6,718</u> | <u>4,179</u> |
| CAPITAL AND RESERVES | | | |
| Called-up share capital | 11 | 6,072 | 6,072 |
| Profit and loss account | 12 | 646 | (1,893) |
| SHAREHOLDERS' FUNDS | 13 | <u>6,718</u> | <u>4,179</u> |

The financial statements of Specialist Computers International Limited, registered number 3419927, were approved by the Board of Directors and authorised for issue on 26 January 2010 and signed on its behalf by:


Sir Peter Rigby
Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are summarised below. These have been applied consistently throughout the year and the preceding year.

Basis of accounting

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

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of Specialist Computer Holdings plc, which prepared consolidated financial statements for the year ended 31 March 2009 which are publicly available. The company is also, on this basis, exempt from the requirement of Financial Reporting Standard Number 1 to present a cash flow statement.

Going concern

The company is part of the Specialist Computer Holdings plc ("SCH") group, which has secured banking facilities in both the UK and Continental Europe which are used to meet its day to day working capital requirements. The current economic conditions create uncertainty particularly over (a) the level of demand for the group's products and services; (b) the exchange rate between Sterling and Euro and (c) the availability of bank finance in the foreseeable future.

The company and the SCH group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group and company should be able to operate within the level of its current facilities.

The SCH group negotiated a new main facility in the UK post year end, where loans and an overdraft are secured over the trade receivables of the principal UK subsidiaries (Specialist Computer Centres plc, Enhancement Technologies Corporation plc and Interchange Distribution Limited). The new facility expires in June 2012.

As a consequence, the directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the company and the group 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, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets 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, as follows:

Fixtures and equipment 3 to 5 years

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

Investments

Fixed asset investments are shown at cost less provision for impairment.

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

1. ACCOUNTING POLICIES (continued)

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially 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 than likely 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.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

Finance costs

Finance costs of debt and non-equity shares are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

2. FINANCE CHARGES (NET)

| | 2009 £'000 | 2008 £'000 |
|---|---------------|---------------|
| Interest payable and similar charges | | |
| Interest payable on amounts advanced by group undertakings | - | 242 |
| Interest payable on loans from related parties | 262 | 373 |
| | <u>262</u> | <u>615</u> |
| | | |
| | 2009 £'000 | 2008 £'000 |
| Interest receivable and similar income | | |
| Interest receivable from amounts advanced to group undertakings | 29 | 139 |
| Foreign exchange gains | 2,883 | - |
| | <u>2,912</u> | <u>139</u> |
| | | |
| | 2009 £'000 | 2008 £'000 |
| Net interest receivable (payable) | | |
| Interest payable and similar charges | (262) | (615) |
| Less: Interest receivable and similar income | 2,912 | 139 |
| | <u>2,650</u> | <u>(476)</u> |

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is stated after charging:

| | 2009 £'000 | 2008 £'000 |
|---|---------------|---------------|
| Depreciation and amounts written off tangible fixed assets - owned | - | 5 |

Fees payable to the company's auditors for the audit of the company's accounts of £5,000 (2008 - £5,000) were borne by another group undertaking.

Amounts payable to the auditors by the company for non-audit services were £ Nil (2008 - £ Nil).

4. STAFF COSTS

The average monthly number of employees (including executive directors) was 2 (2008 - 2). There were no staff costs charged in either year.

Directors' remuneration

There were no directors' emoluments charged in either year.

The emoluments of Sir Peter Rigby and Mr J P Rigby are paid by other group companies, and it is not practicable to determine the proportion of such emoluments which are attributable to the directors' services to the company. The total emoluments for these directors are taken into account in the disclosure of directors' emoluments in the financial statements of Specialist Computer Holdings plc, the ultimate parent company.

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises:

| | 2009 £'000 | 2008 £'000 |
|---|---------------|---------------|
| Deferred tax | | |
| Origination and reversal of timing differences | 58 | 246 |
| Adjustments in respect of prior year | - | (184) |
| Total deferred tax (see note 8) | <u>58</u> | <u>62</u> |
| Total tax on profit on ordinary activities | <u>58</u> | <u>62</u> |

The differences between the current tax charge and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

| | 2009 £'000 | 2008 £'000 |
|---|---------------|---------------|
| Profit on ordinary activities before tax | <u>2,597</u> | <u>26</u> |
| Tax on profit on ordinary activities at standard UK corporation tax rate of 28% (2008 - 30%) | 727 | 8 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 21 | - |
| Income not taxable for tax purposes | (803) | - |
| Other timing differences | (58) | (246) |
| Impact of change in UK corporation tax rate on deferred tax | - | 19 |
| Unrelieved losses | 113 | 219 |
| Current tax charge for the year | <u>-</u> | <u>-</u> |

The tax rate used for the tax loss on ordinary activities is the standard rate for UK corporation tax, currently 28%.

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

6. TANGIBLE FIXED ASSETS

| | Fixtures and equipment £'000 |
|--------------------------------------|------------------------------------|
| Cost | |
| At 1 April 2008 and at 31 March 2009 | 17 |
| Accumulated depreciation | |
| At 1 April 2008 and 31 March 2009 | 17 |
| Net book value | |
| At 31 March 2008 and 31 March 2009 | - |

7. FIXED ASSET INVESTMENTS

Subsidiary undertakings

| | £'000 |
|--------------------------------|---------|
| Cost and net book value | |
| At 1 April 2008 | 9,071 |
| Disposals | (6,047) |
| At 31 March 2009 | 3,024 |

Investments comprise of ordinary shares and preference shares held by the company in Specialist Computer Holdings International Limited ("SCHI"), a company registered in England and Wales.

The company holds the entire issued ordinary share capital of SCHI, comprising of 5,000,000 ordinary shares of €1 each at both year ends.

As at 31 March 2008, the company held 10,000,000 redeemable preference shares of €1 each in SCHI.

The redeemable preference share carried a fixed cumulative preferential dividend for the period expiring on 31 December 2003 at a rate of 25% of the aggregate retained profits of SCHI, thereafter they carried a fixed cumulative preferential dividend at the rate of EURIBOR plus 1% per annum.

SCHI had no retained profits as at 31 December 2003 hence no preferential dividend was payable. The preferential dividend on the redeemable preference shares for the period 1 January 2004 to 27 March 2009 have been waived by the company.

The preference shares may be redeemed at any time at the option of SCHI. Holders of the redeemable preference shares have one vote for every one share, but only on a resolution directly or adversely affecting any of the special rights attached to the shares, or if the preference dividend has been unpaid for six months. Holders of the preference shares have a right on a winding-up to receive, in priority to any other classes of shares, repayment of capital paid together with any arrears of dividends.

During the year, on 27 March 2009, SCHI cancelled 10,000,000 redeemable preference shares of €1 each by repayment of the capital amount. The company generated a profit of £2,869,000 on the cancellation, which is included in foreign exchange gains in investment income.

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

7. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings (continued)

The company has investments in the following subsidiary undertakings. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

| Subsidiary undertakings | Country of incorporation | Principal activity | Percentage holding |
|--|--------------------------|---------------------|--------------------|
| Specialist Computer Holdings International Limited | England & Wales | Holding Company | 100% |
| SCH International BV | The Netherlands | Holding Company | 100% |
| Specialist Computers International (S.C.I.) BV | The Netherlands | Holding Company | 100% |
| SCH Services BV | The Netherlands | Holding Company | 100% |
| SCH Nederland BV | The Netherlands | Holding Company | 100% |
| ETC BV | The Netherlands | Systems integration | 100% |
| SCC Services BV | The Netherlands | Systems integration | 100% |
| SCH SAS | France | Holding Company | 100% |
| SCC SA | France | Systems integration | 97% |
| SCC Services SA | France | Systems integration | 97% |
| SCH Leasing SA | France | Systems integration | 97% |
| Globaldis Sarl | France | Dormant | 97% |
| SCC CS SA | France | Systems integration | 97% |
| SCC SpA | Italy | Systems integration | 100% |
| Multivendor Service Srl | Italy | Systems integration | 100% |
| Specialist Computer Centres SL | Spain | Systems integration | 100% |
| SCC GmbH | Germany | Systems integration | 100% |
| SCC NV | Belgium | Systems integration | 100% |
| S.C. SCC Services Romania S.R.L | Romania | Systems integration | 100% |

All of the above subsidiary undertakings are indirectly held, with the exception of Specialist Computer Holdings International Limited.

On 23 April 2009 the company disposed of its 100% interest in the ordinary share capital of SCC SpA and Multivendor Service Srl and on 28 April 2009 the company disposed its 100% interest in the ordinary share capital of SCC GmbH.

Further details of these disposals is provided in the financial statements of Specialist Computer Holdings plc, the ultimate parent undertaking.

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

8. DEBTORS

Amounts falling due within one year:

| | 2009 £'000 | 2008 £'000 |
|------------------------------------|---------------|---------------|
| Amounts owed by group undertakings | 5,993 | 4,818 |
| Deferred taxation | 155 | 213 |
| | <u>6,148</u> | <u>5,031</u> |

The movement on deferred taxation is as follows:

| | Deferred taxation asset £'000 |
|--|-------------------------------------|
| At 1 April 2008 | 213 |
| Charge to profit and loss account (see note 5) | (58) |
| | <u>155</u> |
| At 31 March 2009 | <u>155</u> |

Deferred taxation asset is recognised as follows:

| | 2009 £'000 | 2008 £'000 |
|--|---------------|---------------|
| Other timing differences | 155 | 213 |
| Undiscounted asset for deferred tax | <u>155</u> | <u>213</u> |

A deferred tax asset amounting to £205,000 (2008 - £299,000) for non-trade losses has not been recognised because it is not sufficiently certain that there could be suitable taxable profits available in the foreseeable future to utilise these tax losses.

There is no other unrecognised deferred taxation at either year end.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2009 £'000 | 2008 £'000 |
|------------------------------------|---------------|---------------|
| Amounts owed to group undertakings | 11 | 5,719 |
| Accruals and deferred income | 520 | 705 |
| | <u>531</u> | <u>6,424</u> |

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2009 £'000 | 2008 £'000 |
|--|---------------|---------------|
| Loans from related parties (see note 15) | 2,999 | 2,999 |
| Amounts owed to group undertakings | - | 2,000 |
| | <u>2,999</u> | <u>4,999</u> |

11. CALLED-UP SHARE CAPITAL

| | 2009 £'000 | 2008 £'000 |
|---|---------------|---------------|
| <i>Authorised, allotted, called-up and fully paid</i> | | |
| 10,000 ordinary shares of £1 each | 10 | 10 |
| 6,062,100 preference shares of £1 each | 6,062 | 6,062 |
| | <u>6,072</u> | <u>6,072</u> |

The redeemable preference shares are held by Specialist Computer Holdings (UK) plc, a fellow group undertaking.

The redeemable preference shares carry a fixed cumulative preferential dividend for the period expiring on 31 December 2003 at the rate of 25% of aggregate retained profits, thereafter they carry a fixed cumulative preferential dividend at the rate of EURIBOR plus 1% per annum. The preference shares may be redeemed at any time at the option of the company.

Holders of the redeemable preference shares have one vote for every one share held but only on a resolution directly or adversely affecting any of the special rights attached to the share, or if the preference dividend has remained unpaid for six months. Holders of the redeemable preference shares have the right on a winding-up to receive, in priority to any other classes of shares, repayment of capital paid up together with any arrears of dividend.

The preferential dividends for the period 1 January 2004 to 31 March 2009 have been waived by Specialist Computer Holdings (UK) plc.

12. RESERVES

| | Profit and loss account £'000 |
|------------------------------|-------------------------------------|
| At 1 April 2008 | (1,893) |
| Retained profit for the year | <u>2,539</u> |
| At 31 March 2009 | <u>646</u> |

SPECIALIST COMPUTERS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2009 £'000 | 2008 £'000 |
|-------------------------------------|---------------|---------------|
| Retained profit (loss) for the year | 2,539 | (36) |
| Opening shareholders' funds | 4,179 | 4,215 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | <u>6,718</u> | <u>4,179</u> |

14. FINANCIAL COMMITMENTS

The company has provided a €4,000,000 (2008 - €2,000,000) guarantee covering warranties issued by banks on behalf of a subsidiary undertaking, Specialist Computer Centres SL. The company has also provided a €7,000,000 (2008 - €7,000,000) guarantee covering the liabilities of Specialist Computer Centres SL.

The company has provided a €3,000,000 (2008 - €3,000,000) guarantee covering the funding facilities provided to ETC BV, a subsidiary undertaking.

15. RELATED PARTY TRANSACTIONS

Loans advanced by related parties

In prior years the company borrowed £2,999,000 from Sir Peter Rigby. The loan is unsecured, bears interest at 4.5% from 1 December 2008 and 10% from 1 April 2008 to 31 November 2008 (2008 - 10%) and is not repayable on or before 31 March 2010.

Interest of £262,000 (2008 - £373,000) was payable on the loan during the year, and total interest outstanding as at 31 March 2009 was £520,000 (2008 - £705,000).

16. ULTIMATE PARENT UNDERTAKING

The company is a subsidiary undertaking of SCI Jersey Limited, a company registered in England and Wales.

The smallest and largest group of which the company is a member, and for which consolidated financial statements are drawn up, is that headed by Specialist Computer Holdings plc whose principal place of business is at James House, Warwick Road, Birmingham, B11 2LE. The consolidated financial statements are available at that address.

As a wholly owned subsidiary of SCI Jersey Limited, the company has taken advantage of the exemption in Financial Reporting Standard Number 8 from disclosing transactions with members of the group headed by Specialist Computer Holdings plc.

17. ULTIMATE CONTROLLING PARTY

Sir Peter Rigby, a director of Specialist Computer Holdings plc, and members of his close family control the company as a result of controlling directly 100% of the issued 'A' ordinary share capital of Specialist Computer Holdings plc.