

Company Registration No 3984460

MARKETPIPE LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE 7 MONTH PERIOD ENDED 31 DECEMBER 2006

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MARKETPIPE LIMITED

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MARKETPIPE LIMITED

DIRECTORS' REPORT FOR THE SEVEN MONTHS ENDED 31 DECEMBER 2006

The directors present their report and accounts for the seven months ended 31 December 2006

Principal activities

The principal activity of the company is the provision of web-based primary credit platforms for the financial markets combining core workflow applications, services and data

Review of business

The company made an after tax loss for the period of £518,356 (year ended 31 May 2006 profit £214,017) on a turnover of £1 294 804 (year ended 31 May 2006 £3 831 516)

At the period end the company had net liabilities of £203 354 (31 May 2006 net assets £262 225). The Company has changed its revenue recognition policy with regard to Software licence fees. This change has been made to be consistent with the new group revenue recognition policy. Software licence fees are now recognized in full upon acceptance by the customer. Previously software licence revenue was recognized upon signing of the contract and delivery of the software. Details of the effects of the prior year adjustment are given in notes to the accounts. All the company's ordinary and preference shares were acquired on the 18 December 2006 by I-Deal MP Limited. In the opinion of the members there are no Key Performance Indicators whose disclosure is necessary for an understanding of the development, performance or position of the business. Both the level of business and the year end financial position were as expected in the light of current trading conditions and the directors do not anticipate any material changes in the present level of activity.

Results and dividends

The loss for the period after taxation was £518 356

A preference dividend of £20 936 has been treated as payable in accordance with Financial Reporting Standard 25

Directors

The Directors who held office throughout the period and to the date of this report except as noted were as follows

J G Gittos
S H Jaffrey
J Jaffe (resigned 18 December 2006)
P H Lucas (appointed 13 February 2007)
G B Dockray (appointed 13 February 2007)
S Ganeles (appointed 13 February 2007)
M Ratcliffe (appointed as company secretary 1 June 2007)

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

Charitable contributions

During the period ending 31 December 2006 the company made charitable contributions of £nil (year ended 31 May 2006 £500)

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditors are unaware. They have further confirmed that they have taken steps to identify such relevant information and to establish that the auditors are aware of such information.

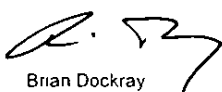
Preparation of directors report

The directors report has been prepared in accordance with the special provision of Part VII of the Companies act 1985 relating to small companies

Auditors

Fishers resigned as the company's auditors on the 18 December 2006. Mazars LLP were appointed as the company's auditors after the period end to fill a casual vacancy after the previous auditors resigned. Mazars LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



Brian Dockray

Director

Dated 22 October 2007

MARKETPIPE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare accounts for each financial period which 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 accounts, the directors are required to

- * select suitable accounting policies and then apply them consistently,
- * make judgements and estimates that are reasonable and prudent,
- * adopt applicable accounting standards and apply them consistently
- * prepare the accounts 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 to enable them to ensure that the accounts 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 of fraud and other irregularities

MARKETPIPE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF MARKETPIPE LIMITED

We have audited the financial statements of Marketpipe Limited for the 7 month period ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet the Statement of Recognised Gains and Losses and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's member 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 member those matters we are required to state to it 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 member for our audit work for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 and whether the information given in the Directors' Report is consistent with the financial statements. We also 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 with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement 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 the company's affairs as at 31 December 2006 and of its loss for the 7 month period 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.

Mazars UK

Mazars LLP
Chartered Accountants
and Registered Auditors
24 Bevis Marks
London EC3A 7NR

22 October 2007

Marketpipe Limited
Profit and Loss Account

	Notes	Seven months ended 31 December 2006 £	Year ended 31 May 2006 (As restated) £
Turnover	2	1,294,804	3,831,516
Cost of sales		(742,246)	(1,261,069)
Gross Profit		<u>552,558</u>	<u>2,570,447</u>
Administrative expenses		(1,088,348)	(2,217,376)
Operating (Loss)/Profit	3	<u>(535,790)</u>	<u>353,071</u>
Other Income	6	1,817	23,856
Interest payable and similar charges	7	(20,936)	(38,483)
(Loss)/Profit on ordinary activities before taxation		<u>(554,909)</u>	<u>338,444</u>
Tax on (loss)/profit on ordinary activities	8	36,553	(124,427)
(Loss)/Profit on ordinary activities after taxation	14, 18	<u>(518,356)</u>	<u>214,017</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

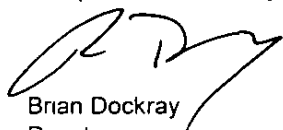
Marketpipe Limited
Statement of Total Recognised Gains and Losses

	Notes	Seven months ended 31 December 2006 £	Year ended 31 May 2006 (As restated) £
(Loss)/profit for the financial period	14	(518,356)	214,017
Total recognised gains and losses since the last annual report		<u>(518,356)</u>	<u>214,017</u>
Prior period adjustment	18	(278,111)	
Total recognised gains and losses since the last annual report		<u>(796,467)</u>	

Marketpipe Limited
Balance Sheet

	Notes	31 December 2006 £	31 May 2006 (As restated) £
Fixed assets			
Tangible assets	9	28,263	28,863
Current assets			
Debtors	10	1,084,391	2,018,821
Cash at bank and in hand		<u>1,046,426</u>	<u>567,723</u>
		2,130,817	2,586,544
Creditors amounts falling due within one year	11	<u>(2,362,434)</u>	<u>(2,353,182)</u>
Net current (liabilities)/assets		<u>(231,617)</u>	<u>233,362</u>
Total assets less current liabilities		<u>(203,354)</u>	<u>262,225</u>
Capital and reserves			
Called up share capital	13	3,406	2,958
Share premium	14	52,329	-
Profit and loss account	14, 18	(259,089)	259,267
Shareholders' funds	14	<u>(203,354)</u>	<u>262,225</u>

The accounts have been prepared in accordance with the special provisions (part VII) of the Companies Act relating to small companies



Brian Dockray
Director

Approved by the board on 22 OCTOBER 2007

Marketpipe Limited
Notes to the Accounts
For the seven months ended 31 December 2006

1 Accounting policies

Basis of Preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company has taken advantage of the exemption from preparing a cash flow statement permitted in FRS 1 (revised) - Cash Flow Statements, as it is a small company

Turnover

Turnover represents the invoices value of goods sold and services provided net of VAT

Changes in accounting policy

The Company has changed its revenue recognition policy with regard to Software licence fees. This change has been made to be consistent with the new group revenue recognition policy. Software licence fees are now recognized in full upon acceptance by the customer. Previously software licence revenue was recognized upon signing of the contract and delivery of the software. Details of the effects of the prior period adjustment are given in note 18.

Research and development

Research expenditure is written off to the profit and loss account in the period in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33% straight line
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Pensions

The company operates a defined contributions pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted. Deferred tax assets and liabilities are not discounted.

Marketpipe Limited
Notes to the Accounts
For the seven months ended 31 December 2006

2 Turnover

Geographical market

	Seven months ended 31 December 2006	Year ended 31 May 2006 (As restated)
	£	£
Analysis by geographical market		
UK	1,055,602	2,965,874
Europe	80,543	507,849
North America	29,550	217,655
Far-East	129,109	140,138
	<u>1,294,804</u>	<u>3,831,516</u>

3 Operating profit

	Seven months ended 31 December 2006	Year ended 31 May 2006 (As restated)
	£	£
Operating profit is stated after charging		
Depreciation of owned tangible fixed assets	16,627	129,577
Auditors' remuneration		
Mazars LLP	-	
Fishers		13,625

4 Directors' emoluments

	Seven months ended 31 December 2006	Year ended 31 May 2006 (As restated)
	£	£
Aggregate emoluments	303,593	449,808
Company contributions to defined contribution pension schemes	<u>20,000</u>	<u>37,500</u>
	<u>323,593</u>	<u>487,308</u>

Emoluments disclosed above include the following amounts paid to the highest paid director

Aggregate emoluments	139,812	198,752
Company contributions to defined contribution pension schemes	<u>7,000</u>	<u>18,000</u>
	<u>146,812</u>	<u>216,752</u>

There are three (31 May 2006 three) directors to whom retirement benefits are accruing under money purchase pension schemes in respect of qualifying services

Marketpipe Limited
Notes to the Accounts
For the seven months ended 31 December 2006

5 Employees	Seven months ended 31 December 2006	Year ended 31 May 2006
Number of employees	number	number
The average number of employees during the period was		
Cost of sales	14	13
Administration	17	18
	<u>31</u>	<u>31</u>
Employment costs		(As restated)
	£	£
Wages and salaries	1,239,977	2,172,259
Social security costs	154,075	265,370
Other pension costs	40,764	101,696
	<u>1,434,816</u>	<u>2,539,325</u>
6 Other income	Seven months ended 31 December 2006	Year ended 31 May 2006 (As restated)
	£	£
Interest receivable and similar income	1,817	23,856
7 Interest payable and similar charges	Seven months ended 31 December 2006	Year ended 31 May 2006 (As restated)
	£	£
Interest payable on		
Bank loans and overdrafts	-	466
Preference dividend payment	20,936	38,017
	<u>20,936</u>	<u>38,483</u>

Marketpipe Limited
Notes to the Accounts
For the seven months ended 31 December 2006

8 Tax on profit on ordinary activities	Seven months ended 31 December 2006	Year ended 31 May 2006 (As restated)
	£	£
(a) Analysis of charge in period		
Current tax		
UK corporation tax on profits of the period	-	128,147
Adjustments in respect of previous periods	(128,147)	-
Current tax (credit)/charge for period	<u>(128,147)</u>	<u>128,147</u>
Deferred tax		
Origination and reversal of timing differences	91,594	(3,720)
Tax (credit)/charge on profit on ordinary activities	<u>(36,553)</u>	<u>124,427</u>

At 31 December 2006 the company has UK losses available to carry forward of £993,225 (31 May 2006 £nil), the benefit of future capital allowances in excess of depreciation in the UK of £5,373 (31 May 2006 cost £11,254) and other timing differences of £8,589 (31 May 2006 £82,453). A deferred tax asset of £302,157 (31 May 2006 £21,360) has not been recognised in the accounts as there is insufficient evidence that these tax attributes will be utilised (see Note 1).

(b) Factors affecting tax charge for period

The tax assessment for the period is higher than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below.

(Loss)/profit on ordinary activities before tax	<u>(554,909)</u>	<u>353,459</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (year ended 31 May 2006 30%)	(166,473)	106,038
Effects of		
Expenses not deductible for tax purposes	(177,902)	13,594
Depreciation in excess of capital allowances	4,988	36,124
Other timing differences	(113,753)	(27,609)
Creation of tax losses	453,140	-
Prior period over provision	<u>(128,147)</u>	<u>-</u>
Current tax charge	<u>(128,147)</u>	<u>128,147</u>

Marketpipe Limited
Notes to the Accounts
For the seven months ended 31 December 2006

9 Tangible fixed assets

	Fixtures fittings & equipment £
Cost	
At 1 June 2006	388,996
Additions	16,027
At 31 December 2006	<u>405,023</u>
Depreciation	
At 1 June 2006	360,133
Charge for the period	16,627
At 31 December 2006	<u>376,760</u>
Net book value	
At 31 December 2006	<u>28,263</u>
At 31 May 2006	<u><28,863</u>

10 Debtors

	31 December 2006	31 May 2006 (As restated)
	£	£
Trade debtors	909,107	1,363,827
Prepayments and accrued income	174,749	563,400
Corporation tax recoverable	535	-
Deferred tax	-	91,594
	<u>1,084,391</u>	<u>2,018,821</u>

11 Creditors amounts falling due within one year

	31 December 2006	31 May 2006 (As restated)
	£	£
Trade creditors	164,326	95,149
Corporation tax	-	127,612
Other taxes and social security costs	152,156	216,990
Preference shares	950,435	950,435
Accruals and deferred income	1,074,581	944,039
Dividend payable on preference shares	20,936	18,957
	<u>2,362,434</u>	<u>2,353,182</u>

Preference shares are entitled to a fixed cumulative dividend equal to 4% of the subscription price paid for each preference share in respect of each financial year commencing after 1 June 2003 in which it is in issue until redemption

The preference shares shall be redeemed at par on 31 May 2008. The company shall be entitled at any time to redeem for cash at par the preference shares in tranches of not less than 25,000 shares at any one time by giving not less than three months notice in writing, such notice being deemed to be irrevocable.

Marketpipe Limited
Notes to the Accounts
For the seven months ended 31 December 2006

12 Pension Costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. The total contributions payable at the end of the period were £40,764.

13 Share capital

	31 December 2006	31 May 2006 (As restated)
	£	£
<i>Authorised</i>		
500,000 Ordinary shares of 1p each	5,000	5,000
1,995,000 Preference shares of £1 each	1,995,000	1,995,000
	<u>2,000,000</u>	<u>2,000,000</u>
<i>Allotted, called up and fully paid</i>		
340,573 Ordinary shares of 1p each	3,406	2,958

During the period 44,784 ordinary shares of £0.01 each were allotted, issued at par and fully paid. This gave rise to total proceeds of £52,777, an increase in share capital of £448 and a share premium of £52,329 which has been credited to share premium account. Subject to the payment of all arrears and accruals of the preference dividend any further dividend declared by the company shall be paid on the ordinary shares.

14 Reconciliation of movement in shareholders' funds

	Share capital	Share premium	Profit and loss account	Total
	£	£	£	£
At 1 June 2006 (as previously reported)	2,958	-	537,378	540,336
Prior period adjustment	-	-	(278,111)	(278,111)
At 1 June 2006 (restated)	2,958	-	259,267	262,225
New share capital subscribed	448	52,329	-	52,777
Retained loss for period	-	-	(518,356)	(518,356)
At 31 December 2006	3,406	52,329	(259,089)	(203,354)

Marketpipe Limited
Notes to the Accounts
For the seven months ended 31 December 2006

15 Related parties

N Withall was a shareholder of the Company during the period and is employed by Withall & Co Chartered Accountants. Withall & Co's proprietor is S Withall the wife of N Withall. Withall & Co provide on an arms length basis accounting, payroll and consultancy services to the Company. During the period Withall & Co contracted its services in the amount of £47,277 of which £12,672 was outstanding at the end of the accounting period.

16 Commitments

Capital commitments

There was no capital expenditure contracted for but not provided for at 31 December 2006.

Financial commitments

The company has an operating lease for the occupation of its premises which expires on the 30 June 2007. The company is committed to payments in the coming year of £73,518.

17 Controlling party

The company's immediate parent undertaking is I-Deal MP Limited. The company's ultimate parent and ultimate controlling party is Ipreo Holdings LLC, a company incorporated in the USA.

18 Restatement of comparatives

The Company has changed its revenue recognition policy with regard to Software licence fees. Software licence fees are now recognized in full upon acceptance by the customer. Commissions paid under the previous policy have been prepaid against the deferred revenue.

a) Profit and loss account

	Year ended 31 May 2006 (As restated) £
Retained loss for the period	
As previously stated	225,312
Revenue deferred	(45,493)
Commissions prepaid	30,478
Deferred tax adjustment	3,720
As restated	214,017

b) Balance sheet

	Creditors amounts falling due after more than one year £	Debtors £	Profit and loss account £
As previously stated	(1,952,998)	1,896,748	537,378
Prior period adjustments			
Revenue deferred	(400,184)	-	(400,184)
Commissions prepaid	-	30,479	30,479
Deferred tax asset recognised	-	91,594	91,594
Total prior period adjustments	(400,184)	122,073	(278,111)
As restated	(2,353,182)	2,018,821	259,267