Registered No 07203843

M-hance Group Limited

(previously Calyx Software Limited)

Report and Financial Statements

For the year ended 31 December 2011

Directors
Nicholas Sanders
Fiona Timothy
Mark Thompson
Timothy Coleman

Secretary
Richard Warwick-Saunders

Auditors
Ernst & Young LLP
100 Barbirolli Square
Manchester
M2 3EY

Registered Office
Trinity House
Bredbury Park Way
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Bankers
HSBC Bank plc
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Macfarlanes LLP
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Directors' report

The dırectors present theır report and financıal statements for the year ended 31 December 2011 for M-hance Group Lımıted ("the Company") The Company changed ıts name from Calyx Software Lımıted to M-hance Group Lımıted on 24 February 2012 The comparatıve perıod ıs for the 3 months ended 31 December 2010 and therefore ıs not dırectly comparable

Results and dividends

The loss for the year after taxatıon amounted to £104,902 (2010 £359,937) The dırectors do not recommend the payment of a dıvıdend (2010 £nıl)

Principal activities and review of the business

The prıncıpal actıvıty of the Company ıs sellıng, supportıng and ınstallıng software packages

The Company's key financıal and other performance ındıcators durıng the year were as follows

	12 months ended 31 Dec 2011	*3 months ended 31 Dec 2010*
	£	*£*
Turnover	5,891,548	1,743,831
Total operatıng profit / (loss) before exceptıonal ıtems	316,091	(162,299)
Average number of employees	36	33

On 6 June 2011 Better Capıtal Lımıted announced that BECAP Fund LP had advanced £6 0m to the Company to make two acquısıtıons The former was certaın assets and oblıgatıons of Touchstone Group plc, a leadıng supplıer of ıntegrated busıness software products to mıd-sızed UK organısatıons The second was for the entıre share capıtal of Trınıty Computer Servıces Holdıngs Lımıted, a specıalıst developer of wholesale and dıstrıbutıon applıcatıon software products for mıd-sızed UK organısatıons

Future developments and Post Balance Sheet Events

Trınıty Computer Servıces Lımıted changed ıts name to M-hance Lımıted on 5 October 2011 and as part of the ıntegratıon of the acquısıtıons, tradıng for the Company was transferred to M-hance Lımıted on 01 December 2011 From thıs date the Company became a holdıng company and wıll not trade goıng forward

In February 2012 M-hance Group Lımıted acquıred the entıre share capıtal of MDMSI Lımıted for a consıderatıon of £6 8m The acquısıtıon was partly funded by the ıssue of £3 2m of shareholder loan notes, whıch were ıssued on the same basıs as the prevıous shareholder loan notes Subsequently the busıness of MDMSI Lımıted has been transferred to M-hance Lımıted, M-hance Group Lımıted's prıncıpal tradıng subsıdıary

Directors' report (continued)

Principal risks and uncertainties

The Company's prıncıpal busıness rısks are summarısed below, together wıth the key processes whıch are ın place to monıtor and manage them

Market rısks

Our served markets are subject to fluctuatıons ın demand by customers, whıch are lınked to the wıder economıc envıronment The Company monıtors market developments and reflects these ın ıts busıness plannıng processes

Operatıonal rısk

Operatıonal rısk refers to the rısk of financıal loss from ıssues relatıng to ınternal process, people and systems The Company manages thıs area of rısk through ınternal controls and ınterventıon when requıred, together wıth management reportıng systems and approprıate ınsurance cover

Lıquıdıty rısk

Lıquıdıty rısk refers to the rısk that the company may be unable to fund ıts ongoıng cash requırements In order to mıtıgate thıs rısk, the Company monıtors and manages ıts lıquıdıty posıtıon usıng treasury tools such as rollıng cash flow forecasts and scenarıo-plannıng around ıts busıness forecasts
The dırectors are satısfied that the approprıate processes are ın place to monıtor the rısks facıng the Company

Going concern

At 31 December 2011 the Company had net lıabılıtıes of £364,839 (2010 £359,936) and net current assets of £541,402 (2010 net current lıabılıtıes of £1,305,324)

On 21 March 2011, shareholder loan notes of £401,000 were ıssued to finance the amount outstandıng to the parent undertakıng Addıtıonal shareholder loan notes of £6,000,000 were ıssued on 06 June 2011 to finance the Touchstone and Trınıty acquısıtıons Confirmatıon has been receıved that ıs not the current ıntentıon of BECAP Fund LP to redeem these loan notes untıl at least 12 months from the date of these financıal statements

Based on the Company's future tradıng forecasts, the dırectors have a reasonable expectatıon that the company wıll be able to contınue for the foreseeable future ın ıts new capacıty as a holdıng company Thus the goıng concern basıs of accountıng has been adopted ın preparıng the annual financıal statements

Directors

The dırectors who served the Company durıng the year were as follows

Nıcholas Ian Burgess Sanders	
Fıona Marıa Tımothy	
Mark Harry Thompson	
Tımothy James Coleman	(appoınted 06 September 2011)

Directors' report (continued)

Disclosure of information to the 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 is unaware Having made enquiries of fellow directors and the Company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

On behalf of the Board

Fiona Timothy
Director
28 September 2012

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) 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 year 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,
- 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 proper 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

Independent auditors' report

to the members of M-hance Group Limited

We have audited the financial statements of the Company for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 23 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 set out on page 5, 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 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 In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on the 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 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

Independent auditors' report (continued)

to the members of M-hance Group Limited

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

Stuart Watson (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
Manchester

28 September 2012

Profit and loss account

for the year ended 31 December 2011

	Notes	*12 months ended 31 Dec 2011* £	*3 months ended 31 Dec 2010* £
Turnover	2	5,891,548	1,743,831
Cost of sales		(1,825,041)	(771,387)
Gross profit		4,066,507	972,444
Administrative expenses before exceptional items		(3,750,416)	(1,134,743)
Exceptional items	6	-	(197,638)
Administrative expenses		(3,750,416)	(1,332,381)
Operating profit / (loss)	3	316,091	(359,937)
Interest payable and similar charges	7	(420,993)	-
Loss on ordinary activities before taxation		(104,902)	(359,937)
Tax	8	-	-
Loss for the financial year	16	(104,902)	(359,937)

The results derive from continuing operations

Statement of total recognised gains and losses

for the year ended 31 December 2011

There are no recognised gains or losses other than the loss attributable to the shareholders of the Company of £104,902 (2010 £359,537) in the year ended 31 December 2011

Balance sheet

at 31 December 2011

	Notes	*12 months ended 31 Dec 2011* £	*3 months ended 31 Dec 2010* £
Fixed assets			
Intangible assets	9	2,736,821	922,702
Tangible assets	10	16,521	22,686
Investments	11	3,162,340	-
		5,915,682	945,388
Current assets			
Debtors	12	3,050,795	2,075,271
Cash at bank and in hand		598,749	94,429
		3,649,544	2,169,700
Creditors amounts falling due within one year	13	(3,108,072)	(3,475,024)
Net current assets / (liabilities)		541,472	(1,305,324)
Total assets less current liabilities		6,457,154	(359,936)
Creditors: amounts falling due after more than one year	14	(6,821,993)	-
Net liabilities		(364,839)	(359,936)
Capital and reserves			
Called up share capital	15	100,000	1
Profit and loss account	16	(464,839)	(359,937)
Shareholders' deficit	17	(364,839)	(359,936)

The financial statements were approved by the board on 28 September 2012

Fiona Timothy
Director
28 September 2012

Notes to the financial statements

at 31 December 2011

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards As permitted by Section 400 of the Companies Act 2006, the company has not prepared group financial statements The company and its subsidiary undertakings are included by full consolidation in the group financial statements of BECAP Calyx Limited

Statement of cash flows

Under FRS 1 the Company is exempt from the requirement to prepare a statement of cash flows on the grounds that a parent undertaking includes the Company in its own published group financial statements

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the principal risks and uncertainties section of the directors' report on page 2
At 31 December 2011 the Company had net liabilities of £364,839 (2010 £359,936) and net current assets of £541,402 (2010 net current liabilities of £1,305,324)

On 21 March 2011, shareholder loan notes of £401,000 were issued to finance the amount outstanding to the parent undertaking Additional shareholder loan notes of £6,000,000 were issued on 06 June 2011 to finance the Touchstone and Trinity acquisitions Confirmation has been received that is not the current intention of BECAP Fund LP to redeem these loan notes until at least 12 months from the date of these financial statements

Based on the Company's future trading forecasts, the directors have a reasonable expectation that the Company will be able to continue for the foreseeable future in its new capacity as a holding company Thus the going concern basis of accounting has been adopted in preparing the annual financial statements

Goodwill

Purchased goodwill (representing the excess of fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised Positive goodwill is amortised to £nil by equal annual instalments over its estimated useful life The estimated useful life of the goodwill is 4 years

Tangible fixed assets

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows
Computer equipment – 25% straight line per annum
The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Turnover

Turnover consists of the invoiced value (excluding VAT) for goods and services supplied to third parties Turnover relating to software licences is recognised on delivery of the licences to the customer Licence fee income from the sale of software is taken to revenue in accordance with the terms of the licence agreement Turnover from maintenance and support service contracts is recognised over the term of the contract and professional services turnover is recognised throughout the duration of the project on a percentage completion basis Income from software development and consultancy services is taken to revenue as the costs are incurred and invoiced Maintenance and customer support income is deferred on receipt and taken to revenue in equal instalments over the life of the contract

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction
Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

Pensions

Pension benefits for employees are met by payments to external defined contribution schemes administered by third parties Contributions are charged to the profit and loss account in the period in which they fall

Provisions for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation

Interest-bearing loans and borrowings

All interest bearing loans and borrowings are initially recognised at net proceeds After initial recognition debt is increased by the finance cost in respect of the reporting period and reduced by repayments made in the period
Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount

Notes to the financial statements

at 31 December 2011

2. Turnover

Turnover, net of value added tax, and loss before tax are attributable to the one continuing principal activity of the Company

An analysis of turnover by geographical market is given below

	12 months ended 31 Dec 2011 £	*3 months ended 31 Dec 2010* £
United Kingdom	5,891,548	1,743,831

3. Operating profit / (loss)

This is stated after charging

	12 months ended 31 Dec 2011 £	*3 months ended 31 Dec 2010* £
Auditor's remuneration – audit of the financial statements	13,000	8,000
Amortisation of intangible assets	576,451	78,309
Depreciation of tangible fixed assets	28,277	2,585
Operating lease rentals – land and buildings	112,072	-

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the group financial statements of the Company's parent, BECAP Calyx Limited

4. Directors' emoluments

	12 months ended 31 Dec 2011 £	*3 months ended 31 Dec 2010* £
Aggregate remuneration in respect of qualifying services	-	-

The fees of directors have been borne by M-hance Limited, a fellow group company

As at 31 December 2011 the Company had issued 1,000 shares in the value of £100,000 Of these, 170 shares were issued to directors

Notes to the financial statements

at 31 December 2011

5. Staff costs

	12 months ended 31 Dec 2011	*3 months ended 31 Dec 2010*
	£	*£*
Wages and salaries	903,285	644,671
Social security costs	99,738	70,181
Defined contribution pension costs paid in year	31,520	20,760
	1,034,543	735,612

The average monthly number of persons (including executive directors) employed by the Company during the financial period was

	12 months ended 31 Dec 2011	*3 months ended 31 Dec 2010*
	No	*No*
Sales	15	8
Operations and support	12	21
Administrative and management	9	4
	36	33

6. Exceptional items

	12 months ended 31 Dec 2011	*3 months ended 31 Dec 2010*
	£	*£*
Restructuring and transition costs	-	121,056
Acquisition deal fees	-	76,582
	-	197,638

Following the acquisition of the business in September 2010, management undertook steps to restructure the business, which included employee redundancies and office closures

Notes to the financial statements

at 31 December 2011

7. Interest expense

	12 months ended 31 Dec 2011	*3 months ended 31 Dec 2010*
	£	*£*
Interest on loan notes (see note 14)	420,993	-
	420,993	-

8. Tax

(a) Tax on loss on ordinary activities
The tax is made up as follows

	12 months ended 31 Dec 2011	*3 months ended 31 Dec 2010*
	£	*£*
Current tax		
UK corporation tax on the loss for the year	-	-
Adjustments in respect of prior years	-	-
Total current tax (note 8(b))	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Tax on loss on ordinary activities	-	-

Movement in tax losses		
Group relief not paid	-	-
Adjustments in respect of prior years	-	-
Current tax for the year (note 8(a))	-	-

Notes to the financial statements

at 31 December 2011

8. Tax (continued)

(b) Factors affecting current tax charge for the year

The tax assessed on the loss on ordinary activities for the year is different than the standard rate of corporation tax in the UK of 26 5% (2010 28%) The differences are explained below

	12 months ended 31 Dec 2011	*3 months ended 31 Dec 2010*
	£	*£*
Loss on ordinary activities before tax	(104,902)	(359,937)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26 5% (2010 28%)	(27,799)	(100,782)
Expenses not deductible for tax purposes	50,866	23,600
Depreciation in excess of capital allowances	6,217	704
Other timing differences	60,802	-
Unrelieved tax losses carried forward	-	76,478
Group relief (for nil payment)	(18,263)	-
Loss brought forward utilised	(71,823)	-
Total Current Tax	-	-

(c) Factors that may affect future tax charges

In his budget of 23 March 2011, the Chancellor of the Exchequer announced certain tax changes which have an effect on the Company's future tax position The proposals included phased reductions in the corporation tax rate to 23% from 1 April 2014 Further changes were announced in the 2012 budget to reduce the rate by a further 1% This will reduce the company's future current tax accordingly

(d) Deferred tax

The deferred tax asset of £57,711 (2010 £74,426) in relation to decelerated capital allowances, tax losses and late paid interest has not been recognised due to uncertainties around future recoverability

Notes to the financial statements

at 31 December 2011

9. Intangible assets

	Goodwill £
Cost	
At 10 September 2010	-
Additions in year	1,001,011
At 31 December 2010	1,001,011
Additions in year	2,528,466
Reduction in year	(137,896)
At 31 December 2011	3,391,581
Amortisation	
At 10 September 2010	-
Charged in the year	78,309
At 31 December 2010	78,309
Charged in the year	576,451
At 31 December 2011	654,760
Net book value	
At 31 December 2011	2,736,821
Net book value	
At 31 December 2010	922,702

The reduction in intangible assets reflects amounts received during the year from the administrators of oldco Calyx Software Limited that were not included in the net assets acquired In accordance with UK GAAP this has been recorded as an adjustment to goodwill

On 6 June 2011 the Company acquired certain assets and obligations of Touchstone Group plc

Net assets acquired	-
Consideration	
- Cash	2,500,000
- Costs incurred in acquisition	28,466
Goodwill arising	2,528,466

Notes to the financial statements
at 31 December 2011

10. Tangible fixed assets

	Computer equipment
	£
Cost	
At 10 September 2010	-
Additions	25,271
At 31 December 2010	25,271
Additions	22,112
At 31 December 2011	47,383
Depreciation	
At 10 September 2010	-
Charge for the year	2,585
At 31 December 2010	2,585
Charge for the year	28,277
At 31 December 2011	30,862
Net book amount	
At 31 December 2011	16,521
Net book amount	
At 31 December 2010	22,686

11. Investments

	£
Cost	
As at 01 January 2011	-
Additions	3,162,340
As at 31 December 2011	3,162,340

Name		*Country of incorporation*	*Shareholding*	*Nature of business*
M-hance Limited	*	UK	100%	developer of wholesale and distribution application software product
M-hance Holdings Limited		UK	100%	holding company
Gyrosoft Solutions Limited	*	UK	100%	non-trading company

* not directly held by M-hance Group Limited

On 01 June 2012 the Company paid £3,162,340 to acquire M-hance Holdings Limited (formerly Trinity Computer Holdings Limited) Included in the sum is £62,340 of costs incurred in acquisition

Notes to the financial statements

at 31 December 2011

12. Debtors

	2011	*2010*
	£	*£*
Amounts falling due within one year		
Trade debtors	1,331,644	1,010,201
Amounts owed by group companies	1,095,042	161,631
Prepayments and accrued income	624,109	903,439
	3,050,795	2,075,271

As at 31 December 2011 amounts owed by group undertakings are interest free, unsecured and repayable on demand

13. Creditors: amounts falling due within one year

	2011	*2010*
	£	*£*
Trade creditors	452,615	406,563
Tax and social welfare	-	50,309
VAT	214,446	204,421
Accruals	104,035	500,705
Deferred income	1,863,757	1,730,535
Amounts owed to group companies		
- amounts owed to parent company	336	401,337
- amounts owed to other group undertakings	472,883	166,894
Other creditors	-	14,260
	3,108,072	3,475,024

As at 31 December 2011 amounts owed to group undertakings are interest free, unsecured and repayable on demand

Notes to the financial statements

at 31 December 2011

14. Creditors: amounts falling due after more than one year

	2011 £	*2010* £
Amounts owed to group companies		
- amounts owed to parent company		
Loan note principal	6,401,000	-
Accrued interest	420,993	-
	6,821,993	-

Shareholder loan notes of £401,000 were issued on 21 March 2011 to finance the amount owing to the parent company Additional shareholder loan notes of £6,000,000 were issued on 6 June 2011 to finance the Touchstone and Trinity acquisitions The loan notes attract interest at varying rates, which is rolled up and capitalised into the long term liability The loan notes are held by BECAP Fund LP, who the directors consider to be the ultimate parent undertaking of the company The loan notes are repayable at the company's discretion except for mandatory repayment under any of the following circumstances

- the company is listed on the London Stock Exchange
- the shares in the company are sold to a non-related third party
- at maturity on 31 March 2017

As none of these circumstances are expected to arise for at least 12 months, the directors regard the loan notes as a long-term source of capital funding

15. Issued share capital

Allotted, called up and fully paid	*2011* No	£	*2010* No	£
Ordinary shares of £1 each	1,000	100,000	1	1

During 2011 the Company issued 999 shares for consideration of £99,999 cash

16. Movements on reserves

	Profit and loss account £
At 10 September 2010	-
Loss for the year	(359,937)
	(359,937)
At 31 December 2010	-
Loss for the year	(104,902)
At 31 December 2011	(464,839)

Notes to the financial statements

at 31 December 2011

17. Reconciliation of shareholders' funds

	2011 £	*2010* £
Opening shareholders' funds	(359,936)	1
Loss for the financial year	(104,902)	(359,937)
Share capital increase	99,999	-
Closing shareholders' funds	(364,839)	(359,936)

18. Contingent liabilities

The company issued an Unlimited Multilateral Guarantee dated 12 November 2010 to HSBC, along with other group subsidiaries Calyx Networks Limited and Calyx Managed Services Limited, which is effectively a net off arrangement in relation to day to day banking facilities The guarantee was terminated in February 2012 when the company moved its banking facilities to Barclays Bank Plc

19. Other financial commitments

At 31 December 2011, the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings £	*Total* £
Operating leases which expire		
Within one year	23,728	23,728
Within two to five years	88,344	88,344
After more than five years	-	-
	112,072	112,072

20. Pensions

The company pays contributions into certain employees private pension schemes The pension cost charge for the year represents contributions payable by the company and amounted to £31,520 (2010 £20,760) There were no prepaid contributions at either the beginning or end of the financial year Contributions amounting to £nil (2010 £5,173) were owing by the company are included in creditors as at 31 December 2011

Notes to the financial statements

at 31 December 2011

21. Related party transactions

The company ıs avaılıng ıtself of the exemptıon under Fınancıal Reportıng Standard 8 Related Party Dısclosures' not to dısclose detaıls of transactıons wıth fellow group companıes

22. Ultımate parent undertaking and controlling party

The smallest and largest group of undertakıngs ın whıch the fınancıal statements of M-hance Group Lımıted are consolıdated ıs that headed by BECAP Calyx Lımıted, whıch ıs also the controllıng party On 26 January 2012 BECAP SPV3 Lımıted changed ıts name to BECAP Calyx Lımıted Copıes of the fınancıal statements are avaılable at the Companıes Regıstratıon Office, Herıtage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey, GY1 4HY The ultımate parent ıs BECAP Fund LP

23. Post Balance Sheet Events

In February 2012 M-hance Group Lımıted acquıred the entıre share capıtal of MDMSI Lımıted for a consıderatıon of £6 8m The acquısıtıon was partly funded by the ıssue of £3 2m of shareholder loan notes, whıch were ıssued on the same basıs as the prevıous shareholder loan notes Subsequently the busıness of MDMSI Lımıted has been transferred to M-hance Lımıted, M-hance Group Lımıted's prıncıpal tradıng subsıdıary