

REGISTERED NUMBER: 02920441 (England and Wales)

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008
FOR
DYSAN PRODUCTS EUROPE LTD

THURSDAY



AB2EW6X0

A18

29/01/2009

334

COMPANIES HOUSE

v

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Consolidated Profit and Loss Account	6
Consolidated Balance Sheet	7
Company Balance Sheet	8
Notes to the Financial Statements	9

DYSAN PRODUCTS EUROPE LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2008

DIRECTORS:

A Yap
K C A Chan
K T M Mok
M H C Chai

SECRETARY:

Comat Registrars Ltd

REGISTERED OFFICE:

Dickens House
Guithavon Street
Witham
Essex
CM8 1BJ

REGISTERED NUMBER:

02920441 (England and Wales)

AUDITORS:

Baverstocks Chartered Accountants
Dickens House
Guithavon Street
Witham
Essex
CM8 1BJ

BANKERS:

National Westminster Bank PLC
P.O Box No.78
13 Market Place
READING
Berkshire
RG1 2EP

SOLICITORS:

Rosenblatt
9/13 St Andrew Street
LONDON
EC4A 3AE

DYSAN PRODUCTS EUROPE LTD

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 MARCH 2008**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2008.

CEASATION OF TRADING

The Company ceased trading on 28 February 2006.

PRINCIPAL ACTIVITY

The Company acts as a distributor of group manufactured products comprising, principally, diskettes and CDR media to an affiliate company, Memorex Products Europe Limited.

REVIEW OF THE BUSINESS

The results for the year and financial position of the company and group are shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2008.

DIRECTORS

The directors during the year under review were:

A Yap
K C A Chan
K T M Mok
M H C Chai

The directors holding office at 31 March 2008 did not hold any beneficial interest in the issued share capital of the company at 1 April 2007 or 31 March 2008.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that 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;
- 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the group's auditors are unaware, and each 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 group's auditors are aware of that information.

AUDITORS

The auditors, Baverstocks Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

DYSAN PRODUCTS EUROPE LTD

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2008

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

.....
A Yap - Director

Date: 23/01/2009

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DYSAN PRODUCTS EUROPE LTD**

We have audited the financial statements of Dysan Products Europe Ltd for the year ended 31 March 2008 on pages six to fourteen. 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 on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

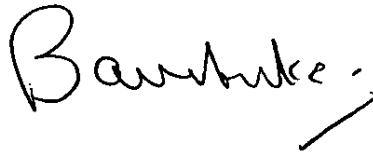
- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 31 March 2008 and of the profit of the group for the year then ended;
- the financial statements have been properly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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DYSAN PRODUCTS EUROPE LTD**

Emphasis of matter - financial statements prepared other than on a going concern

Without qualifying our opinion, we draw attention to note 1 of the financial statements concerning the company's inability to continue as a going concern and the basis on which the financial statements are prepared. The company ceased trading in February 2006 and accordingly is not regarded as a going concern. The directors have not prepared the financial statements on a going concern basis. Details of the circumstances relating to this emphasis of matter are described in note 1.

Baverstocks Chartered Accountants
Dickens House
Guithavon Street
Witham
Essex
CM8 1BJ

A handwritten signature in black ink, appearing to read 'Baverstocks', with a short horizontal line underneath the end of the name.

Date: 26 January 2009

DYSAN PRODUCTS EUROPE LTD

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £'000	2007 £'000
TURNOVER	2	—	—
Administrative expenses		(42)	(377)
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	42	377
Tax on profit on ordinary activities	5	—	—
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>42</u>	<u>377</u>

CONTINUING OPERATIONS

All results are derived from discontinued operations.

TOTAL RECOGNISED GAINS AND LOSSES

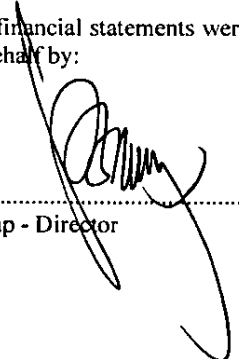
The group has no recognised gains or losses other than the profit for the current year and previous year.

The notes form part of these financial statements

DYSAN PRODUCTS EUROPE LTD**CONSOLIDATED BALANCE SHEET**
31 MARCH 2008

	Notes	2008 £'000	2007 £'000
CURRENT ASSETS			
Cash at bank		13	14
CREDITORS			
Amounts falling due within one year	8	<u>6</u>	<u>11</u>
NET CURRENT ASSETS		<u>7</u>	<u>3</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7	3
CREDITORS			
Amounts falling due after more than one year	9	<u>3,165</u>	<u>3,203</u>
NET LIABILITIES		<u>(3,158)</u>	<u>(3,200)</u>
CAPITAL AND RESERVES			
Called up share capital	10	5,069	5,069
Profit and loss account	11	<u>(8,227)</u>	<u>(8,269)</u>
SHAREHOLDERS' DEFICIT	14	<u>(3,158)</u>	<u>(3,200)</u>

The financial statements were approved by the Board of Directors on 23/01/2009 and were signed on its behalf by:



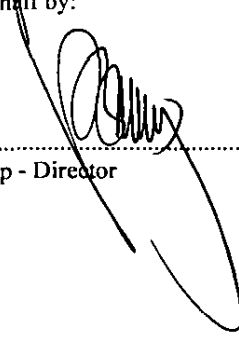
.....
A Yap - Director

The notes form part of these financial statements

DYSAN PRODUCTS EUROPE LTD**COMPANY BALANCE SHEET****31 MARCH 2008**

	Notes	2008 £'000	£'000	2007 £'000	£'000
FIXED ASSETS					
Investments	7		1		1
CURRENT ASSETS					
Cash at bank		13		14	
CREDITORS					
Amounts falling due within one year	8	<u>6</u>		<u>11</u>	
NET CURRENT ASSETS			<u>7</u>		<u>3</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8		4
CREDITORS					
Amounts falling due after more than one year	9		<u>3,723</u>		<u>3,761</u>
NET LIABILITIES			<u>(3,715)</u>		<u>(3,757)</u>
CAPITAL AND RESERVES					
Called up share capital	10		5,069		5,069
Profit and loss account	11		<u>(8,784)</u>		<u>(8,826)</u>
SHAREHOLDERS' DEFICIT	14		<u>(3,715)</u>		<u>(3,757)</u>

The financial statements were approved by the Board of Directors on 22/01/2009 and were signed on its behalf by:


.....
A Yap - Director

The notes form part of these financial statements

DYSAN PRODUCTS EUROPE LTD

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2008**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Basis of Preparation

The Company ceased trading in February 2006. In accordance with FRS21 "Events after the balance sheet", the financial statements have been prepared on a basis other than that of a going concern basis which includes, where appropriate, writing down the company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary for the year ended 31 March 2008. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the group qualifies as a small group.

Turnover

Turnover represents net invoiced value of goods shipped, excluding value added tax.

Taxation

Current tax, including UK corporation tax and foreign 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 taxation is provided in full on material timing differences at the rate of taxation anticipated to apply when these differences crystallise. 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 financial statements.

A deferred tax asset is only recognised where it is more likely than not that it will be recoverable in the future. Deferred tax assets and liabilities recognised have not been discounted.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Investments

Investments are stated at cost less provision for impairment in value.

DYSAN PRODUCTS EUROPE LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2008

2. TURNOVER

The Company ceased trading on 28 February 2006 and its subsidiary also ceased trading on 31 March 2005. As a result, there was no turnover derived during the year ended 31 March 2008 and 31 March 2007.

3. STAFF COSTS

The average monthly number of employees during the year was as follows:

2008	2007
-	-
<u>-</u>	<u>-</u>

There were no staff costs for the year ended 31 March 2008 nor for the year ended 31 March 2007.

4. OPERATING PROFIT/(LOSS)

The operating profit (2007 - operating profit) is stated after charging/(crediting):

	2008 £'000	2007 £'000
Auditors Remuneration	2	7
Foreign exchange differences	(55)	(408)
	<u>-</u>	<u>-</u>

	2008 £	2007 £
Directors' emoluments	-	-
	<u>-</u>	<u>-</u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2008 nor for the year ended 31 March 2007.

DYSAN PRODUCTS EUROPE LTD**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2008****5. TAXATION - continued****Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2008 £'000	2007 £'000
Profit/(loss) on ordinary activities before tax	<u>42</u>	<u>377</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2007 - 30%)	13	113
Effects of:		
Utilisation of tax losses	<u>(13)</u>	<u>(113)</u>
Current tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

A deferred asset of £2.6m (2007: £2.6m) has not been recognised on the grounds that there is insufficient evidence that the asset will be recoverable. The asset would only be recoverable in the event that the company generated sufficient profits in future periods.

6. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £41,680 (2007 - £377,051 profit).

7. INVESTMENTS

	Shares in Group Undertakings £'000
COST	
At 1 April 2007 and 31 March 2008	<u>1</u>
NET BOOK VALUE	
At 31 March 2008	<u>1</u>
At 31 March 2007	<u>1</u>

The company's investment in a subsidiary represents the cost of acquisition of the whole of the share capital of Dysan Magnetics Limited, a dormant company registered in England and Wales.

DYSAN PRODUCTS EUROPE LTD**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2008****8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2008	2007	2008	2007
	£'000	£'000	£'000	£'000
Trade Creditors	-	-	-	-
Accruals and Deferred Income	<u>6</u>	<u>11</u>	<u>6</u>	<u>11</u>
	<u>6</u>	<u>11</u>	<u>6</u>	<u>11</u>

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

	Group		Company	
	2008	2007	2008	2007
	£'000	£'000	£'000	£'000
Amounts owed to participating interests	<u>3,165</u>	<u>3,203</u>	<u>3,723</u>	<u>3,761</u>

10. CALLED UP SHARE CAPITAL

Authorised:			
Number:	Class:	2008	2007
		£	£
1,000	Ordinary Shares of £1 each	1,000	1,000
15,000,000	Ordinary Shares of US\$1 each	<u>8,944,544</u>	<u>8,944,544</u>
		<u>8,945,544</u>	<u>8,945,544</u>
 Allotted, issued and fully paid:			
Number:	Class:	2008	2007
		£	£
102	Ordinary Shares of £1 each	102	102
8,500,000	Ordinary Shares of US\$1 each	<u>5,068,575</u>	<u>5,068,575</u>
		<u>5,068,677</u>	<u>5,068,677</u>

DYSAN PRODUCTS EUROPE LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2008

11. RESERVES

Group

	Profit and loss account £'000
At 1 April 2007	(8,269)
Profit for the year	<u>42</u>
At 31 March 2008	<u>(8,227)</u>

Company

	Profit and loss account £'000
At 1 April 2007	(8,826)
Profit for the year	<u>42</u>
At 31 March 2008	<u>(8,784)</u>

12. RELATED PARTY DISCLOSURES

In accordance with Financial Reporting Standard No.8, "Related Party Disclosures", transactions with other group undertakings within, and investee related parties of, Hanny Holdings Group have not been disclosed in these financial statements.

13. ULTIMATE CONTROLLING PARTY

The ultimate parent company and controlling party, and the only company to consolidate the results of the company, is Hanny Holdings Limited, a company incorporated in Bermuda.

Copies of the group financial statements are available from:

Unit 3101
31/F Bank of America Tower
12 Harcourt Road
Central
Hong Kong

DYSAN PRODUCTS EUROPE LTD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2008

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

Group

	2008	2007
	£'000	£'000
Profit for the financial year	<u>42</u>	<u>377</u>
Net reduction to shareholders' deficit	42	377
Opening shareholders' deficit	<u>(3,200)</u>	<u>(3,577)</u>
Closing shareholders' deficit	<u>(3,158)</u>	<u>(3,200)</u>

Company

	2008	2007
	£'000	£'000
Profit for the financial year	<u>42</u>	<u>377</u>
Net reduction to shareholders' deficit	42	377
Opening shareholders' deficit	<u>(3,757)</u>	<u>(4,134)</u>
Closing shareholders' deficit	<u>(3,715)</u>	<u>(3,757)</u>