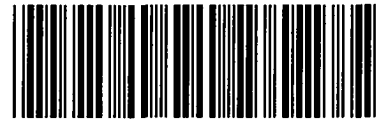


COMPANY REGISTRATION NUMBER 3357718

UP Global Sourcing UK Limited
Financial Statements
Year Ended 31 July 2013

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UP Global Sourcing UK Limited

Financial Statements

Year ended 31 July 2013

Contents	Page
Directors and Advisers	1
The Directors' Report	2
Independent Auditors' Report to the Members of UP Global Sourcing UK Limited	5
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9

UP Global Sourcing UK Limited

Directors and Advisers

The board of directors

S Showman
A Gossage
B Franks
D Bloomfield
G Screawn

Company secretary

G Screawn

Registered office

Manor Mill
Victoria Street
Chadderton
Oldham
OL9 0DD

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants
and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Bankers

HSBC
1st Floor
4 Hardman Square
Spinningfields
Manchester
M3 3EB

UP Global Sourcing UK Limited

The Directors' Report

Year ended 31 July 2013

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 July 2013.

Principal activities and business review

The principal activity of the company during the year was the sourcing, import and sale of housewares, electrical products, memory foam, watches and luggage.

The company is one of the world's leading sourcing and design businesses, with an excellent reputation for bringing good, better and best branded and private label products to global markets since its formation in 1997. The company has developed a sound supply partner base across 12 different consumer product categories, to bring exclusive products to market.

The results for the year ended 31 July 2013 show turnover increased by £2,306,000 to £42,848,000 generating an EBITDA profit of £1,188,000 (2012 - £512,000 loss). The economic climate remained challenging in the current year with no improvement in consumer confidence, spending and disposable income. The directors have responded to the market conditions adapting the business accordingly whilst maintaining the ability to introduce new products and maintain high customer service. The directors are pleased with the corresponding improvement in the results and continuously drive further improvements.

The company, as part of the UP Global Sourcing Holdings Limited Group, is funded by external banking facilities provided to the company and its group by HSBC and with the existing facilities due to expire in October 2013, the group refinanced on 13 March 2013, securing new facilities with HSBC for a period of four years.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business of UP Global Sourcing UK Limited.

Going concern

UP Global Sourcing UK Limited is part of the UP Global Sourcing Holdings Limited group which is funded by external banking facilities provided by HSBC. As mentioned above, new facilities were secured in March 2013 for a period of four years. Taking account of the new facilities and having considered future trading and cashflow forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Future prospects

The current economic climate remains challenging and the directors remain conscious of the competitive trading environment and low consumer confidence. However, the directors believe the company remains well placed in the market and, through continued focus on new product innovation and brand development, will be well positioned to take opportunities in the market as the economic climate improves.

Results and dividends

The profit for the year, after taxation, amounted to £341,000 (2012 - loss of £916,000). The directors have not recommended a dividend (2012 - £Nil).

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from both national and international retailers, employee retention, and product availability. Further discussion of these risks and uncertainties, in the context of the UP Global Sourcing Holdings Limited group as a whole is provided in the company's annual report which does not form part of this report.

UP Global Sourcing UK Limited

The Directors' Report *(continued)*

Year ended 31 July 2013

Policy on the payment of creditors

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment.

Employee consultation

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

Donations

During the year, the company made charitable donations of £7,249 (2012 - £4,892) principally to local charities serving the communities in which the company operates.

Directors

The directors who served the company during the year and up to the date of this report are listed on page 1.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Auditors and disclosure of information to auditors

In the case of each director in office at the date the directors' report is approved, that:

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

UP Global Sourcing UK Limited

The Directors' Report *(continued)*

Year ended 31 July 2013

Auditors

PricewaterhouseCoopers LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the directors



G Screawn
Company Secretary

Approved by the directors on 19 December 2013

UP Global Sourcing UK Limited

Independent Auditors' Report to the Members of UP Global Sourcing UK Limited

Year ended 31 July 2013

We have audited the financial statements of UP Global Sourcing UK Limited for the year ended 31 July 2013 which comprise the Profit and Loss Account, Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

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

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 financial statements of UP Global Sourcing UK Limited 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 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 July 2013 and of its profit 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 matters 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.

UP Global Sourcing UK Limited

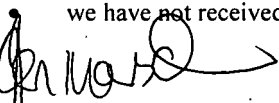
Independent Auditors' Report to the Members of UP Global Sourcing UK Limited *(continued)*

Year ended 31 July 2013

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.



Ian Marsden (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

19 December 2013

UP Global Sourcing UK Limited

Profit and Loss Account

Year ended 31 July 2013

	Note	2013 £000	2012 £000
Turnover	2	42,848	40,522
Cost of sales		(32,907)	(31,690)
Gross profit		9,941	8,832
Distribution costs		(737)	(939)
Administrative expenses		(8,523)	(9,010)
Other operating income	3	13	13
Operating profit/(loss)	4	694	(1,104)
Interest receivable	7	28	42
Interest payable and similar charges	8	(73)	(18)
Profit/(loss) on ordinary activities before taxation	4	649	(1,080)
Tax on profit/(loss) on ordinary activities	9	(308)	164
Profit/(loss) for the financial year		341	(916)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

There are no differences between the profit/ (loss) on ordinary activities before taxation and the profit/ (loss) for the financial years stated above and their historical cost equivalents.

The notes on pages 9 to 18 form part of these financial statements.

UP Global Sourcing UK Limited

Balance Sheet

31 July 2013

	Note	£000	2013 £000	£000	2012 £000
Fixed assets					
Intangible assets	10		890		1,036
Tangible assets	11		381		516
			<u>1,271</u>		<u>1,552</u>
Current assets					
Stocks	12	5,552		4,608	
Debtors	13	18,465		10,856	
Cash at bank		26		2,360	
		<u>24,043</u>		<u>17,824</u>	
Creditors: Amounts falling due within one year	15	<u>(13,943)</u>		<u>(8,346)</u>	
Net current assets			<u>10,100</u>		<u>9,478</u>
Net assets			<u><u>11,371</u></u>		<u><u>11,030</u></u>
Capital and reserves					
Share capital	18		—		—
Profit and loss account	19		11,371		11,030
Equity shareholders' funds	20		<u><u>11,371</u></u>		<u><u>11,030</u></u>

The financial statements on pages 7 to 18 were approved by the board of directors on 19 December 2013, and were signed on its behalf by:



G Screawn
Director
UP Global Sourcing UK Limited

Company Registration Number: 3357718

The notes on pages 9 to 18 form part of these financial statements.

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

1. Accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies are set out below. These policies have been applied on a consistent basis with the prior year.

Going concern

The company is a subsidiary of UP Global Sourcing Holdings Limited, the group and its subsidiary undertakings are funded by external banking facilities provided by HSBC. With its existing facilities due for renewal in October 2013 the group refinanced on 13 March 2013, securing new facilities with HSBC for a period of four years.

Having considered future trading and cashflow forecasts, the directors have a reasonable expectation that the group and company is expected to be able to operate within the level of these banking facilities and to have adequate resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

The amounts shown as turnover represent the amounts invoiced to external customers, excluding value added tax. Turnover is recognised at the point at which goods are despatched to the customer.

Goodwill

Goodwill represents the excess of the fair value of the consideration attributed to an acquisition in excess of the fair value of the net assets acquired at the date of acquisition. Provision is made for any impairment.

Amortisation

Amortisation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Goodwill	- Straight line over 10 years
----------	-------------------------------

Fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Leasehold improvements	- 20% straight line
Plant and machinery	- 20% - 50% straight line
Motor vehicles	- 25% straight line

Stocks

Stocks are valued using a first in, first out method and are stated at the lower of cost and net realisable value. Cost includes expenditure incurred in the normal course of business in bringing the products to their present location and condition.

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

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.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet 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 financial statements.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of 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 an undiscounted basis.

Taxation

Corporation tax is provided on taxable profits at the current rate of 23.67% (2012 - 25.33%).

Foreign currencies

Monetary 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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2013 £000	2012 £000
United Kingdom	36,536	33,171
Europe	3,019	4,181
USA	791	162
Rest of world	2,502	3,008
	<u>42,848</u>	<u>40,522</u>

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

3. Other operating income

	2013 £000	2012 £000
Rent receivable	<u>13</u>	<u>13</u>

4. Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2013 £000	2012 £000
Amortisation of intangible assets (note 10)	146	146
Depreciation of owned fixed assets (note 11)	336	446
Loss on disposal of fixed assets	13	–
Auditors' remuneration:		
- as auditor	20	25
- tax services	10	9
Operating lease costs:		
- Plant and equipment	53	52
- Other	<u>199</u>	<u>329</u>

5. Particulars of employees

The average monthly number of staff employed by the company (including directors) during the financial year amounted to:

	2013 No	2012 No
Sales	37	35
Distribution	22	26
Administration	<u>102</u>	<u>108</u>
	<u>161</u>	<u>169</u>

The aggregate payroll costs of the above were:

	2013 £000	2012 £000
Wages and salaries	5,744	6,252
Social security costs	543	553
Other pension costs	24	34
	<u>6,311</u>	<u>6,839</u>

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2013 £000	2012 £000
Aggregate remuneration	605	539
Value of company pension contributions to money purchase schemes	13	21
	<u>618</u>	<u>560</u>

Remuneration of highest paid director:

	2013 £000	2012 £000
Total remuneration (excluding pension contributions)	246	219
Value of company pension contributions to money purchase schemes	–	4
	<u>246</u>	<u>223</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2013 No	2012 No
Money purchase schemes	<u>1</u>	<u>2</u>

7. Interest receivable

	2013 £000	2012 £000
Interest from group undertakings	<u>28</u>	<u>42</u>

8. Interest payable and similar charges

	2013 £000	2012 £000
Interest payable on bank loans and overdrafts	54	13
Other interest	19	5
	<u>73</u>	<u>18</u>

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

9. Taxation on ordinary activities

(a) Analysis of charge in the year

	2013 £000	2012 £000
Current tax:		
UK Taxation		
UK Corporation tax based on the results for the year at 23.67% (2012 - 25.33%)	114	-
Adjustments in respect of prior years	-	164
	<u>114</u>	<u>164</u>
Foreign tax		
Current tax on income for the year	<u>79</u>	<u>33</u>
Total current tax	<u>193</u>	<u>197</u>
Deferred tax:		
Origination and reversal of timing differences	64	(222)
Effect of decrease in tax rate on opening balance	50	30
Adjustment in respect of previous years	<u>1</u>	<u>(169)</u>
Total deferred tax (note 14)	<u>115</u>	<u>(361)</u>
Tax on profit/(loss) on ordinary activities	<u><u>308</u></u>	<u><u>(164)</u></u>

The company has received group relief during the year from other group undertakings. All group relief received is paid for in full and therefore has no net impact on the company's tax charge for the year.

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

9. Taxation on ordinary activities *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is higher (2012 - higher) than the standard rate of corporation tax in the UK of 23.67% (2012 - 25.33%).

	2013 £000	2012 £000
Profit/(loss) on ordinary activities before taxation	<u>649</u>	<u>(1,080)</u>
Profit/(loss) on ordinary activities multiplied by rate of tax	154	(274)
Expenses not deductible for tax purposes	32	20
Depreciation in excess of capital allowances and other timing differences	73	(30)
Utilisation of tax losses	(145)	-
Unrelieved tax losses carried forward	-	284
Adjustments in respect of prior years	-	164
Foreign tax	<u>79</u>	<u>33</u>
Total current tax (note 9(a))	<u>193</u>	<u>197</u>

(c) Factors that may affect future tax charges

During the year, the relevant deferred tax balances have been re-measured as a result of reductions in the UK main rate of corporation tax to 21% from 1 April 2014 and 20% from 1 April 2015, changes which were substantially enacted on 2 July 2013. The impact of future changes in the rate of UK tax is not expected to be material.

No further changes in the UK main rate of corporation tax have been announced or enacted and there are no other known factors expected to affect the group's corporation tax charge in future periods.

10. Intangible assets

	Goodwill £000
Cost	
At 1 August 2012 and 31 July 2013	<u>1,458</u>
Amortisation	
At 1 August 2012	422
Charge for the year	<u>146</u>
At 31 July 2013	<u>568</u>
Net book value	
At 31 July 2013	<u>890</u>
At 31 July 2012	<u>1,036</u>

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

11. Tangible fixed assets

	Leasehold improvements £000	Plant and machinery £000	Motor vehicles £000	Total £000
Cost				
At 1 August 2012	22	3,071	44	3,137
Additions	–	180	34	214
Disposals	–	(1,530)	–	(1,530)
At 31 July 2013	22	1,721	78	1,821
Depreciation				
At 1 August 2012	12	2,570	39	2,621
Charge for the year	2	322	12	336
On disposals	–	(1,517)	–	(1,517)
At 31 July 2013	14	1,375	51	1,440
Net book value				
At 31 July 2013	8	346	27	381
At 31 July 2012	10	501	5	516

12. Stocks

	2013 £000	2012 £000
Goods for resale	5,552	4,608

The directors do not believe there is a material difference between the book value and the replacement value of stocks.

13. Debtors

	2013 £000	2012 £000
Trade debtors	7,436	6,421
Amounts owed by group undertakings	8,774	2,570
Other debtors and prepayments	1,797	1,294
Deferred taxation (note 14)	458	571
	18,465	10,856

All debtors fall due within one year of the balance sheet date.

All amounts owed by group undertakings are unsecured, repayable on demand and interest free, with the exception of £727,000 (2012 - £430,000) owed by UP Global Sourcing Hong Kong Limited which bears interest at a rate of 8%.

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

14. Deferred taxation

The deferred tax included in the Balance sheet is as follows:

	2013 £000	2012 £000
Included in debtors (note 13)	<u>458</u>	<u>571</u>

The movement in the deferred taxation account during the year was:

	2013 £000	2012 £000
Balance brought forward	571	210
Transferred from group undertaking	2	-
Profit and loss account movement arising during the year	<u>(115)</u>	<u>361</u>
Balance carried forward	<u>458</u>	<u>571</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2013 £000	2012 £000
Excess of depreciation over taxation allowances	366	232
Tax losses available	-	258
Other timing differences	<u>92</u>	<u>81</u>
	<u>458</u>	<u>571</u>

The directors consider that the deferred tax asset in respect of tax losses is recoverable as such losses are expected to be utilised against future trading profits of the company. The deferred tax assets in respect of timing differences and depreciation in excess of capital allowances are expected to reverse in future periods.

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

15. Creditors: Amounts falling due within one year

	2013 £000	2012 £000
Bank loans and overdrafts	3,739	–
Trade creditors	2,196	2,481
Amounts owed to group undertakings	4,693	3,198
Other taxation and social security	454	336
Accruals and deferred income	2,861	2,331
	<u>13,943</u>	<u>8,346</u>

As part of the group's refinancing, completed in March 2013, the group and company entered into invoice discounting facilities with its principal lenders. Included within current bank loans and overdrafts are amounts totalling £2,999,000 due under the invoice discounting facilities, secured by an assignment of and fixed charge over the company's trade debtors.

The remainder of the current bank loans and overdrafts, being £740,000, represents the balance drawn by the company under the revolving credit facility provided by HSBC to the company, its ultimate parent company and fellow subsidiaries. The borrowings are secured by fixed and floating charges granted over the assets of the company and of the group in favour of HSBC, with HSBC having the benefit of cross-guarantees from the company and each other member of the group.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

16. Commitments under operating leases

At 31 July 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	2013		2012	
	Land and buildings £000	Other Items £000	Land and buildings £000	Other Items £000
Operating leases which expire:				
Within 1 year	141	4	176	4
Within 2 to 5 years	66	44	-	44
	<u>207</u>	<u>48</u>	<u>176</u>	<u>48</u>

17. Contingencies

At the year end the company had contracted to sell an amount of 300,000 Euros (2012 - 1,000,000 Euros) and to buy an amount of 2,050,000 US Dollars (2012 - Nil US Dollars) under foreign exchange forward contracts. Any gain or loss realised after the year end in respect of these contracts is not considered material.

The company is jointly and severally liable for all amounts owed in respect of bank loans by its parent undertaking, UP Global Sourcing Holdings Limited, under a cross-guarantee, which at 31 July 2013 amounted to £4,222,000 (2012 - £9,654,000).

UP Global Sourcing UK Limited

Notes to the Financial Statements

Year ended 31 July 2013

18. Share capital

Allotted and called up:

	2013		2012	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

19. Profit and loss account

	2013	2012
	£000	£000
Balance brought forward	11,030	11,946
Profit/ (loss) for the financial year	<u>341</u>	<u>(916)</u>
Balance carried forward	<u>11,371</u>	<u>11,030</u>

20. Reconciliation of movements in shareholders' funds

	2013	2012
	£000	£000
Profit/(Loss) for the financial year	341	(916)
Opening shareholders' funds	<u>11,030</u>	<u>11,946</u>
Closing shareholders' funds	<u>11,371</u>	<u>11,030</u>

21. Ultimate parent company

The immediate and ultimate parent undertaking is UP Global Sourcing Holdings Limited, a company incorporated in the United Kingdom, which is the parent undertaking of the smallest and largest group to consolidate these financial statements.

Copies of UP Global Sourcing Holdings Limited consolidated financial statements can be obtained from the Company Secretary at Manor Mill, Victoria Street, Chadderton, Oldham, OL9 0DD.

22. Ultimate controlling party

The company's parent undertaking, UP Global Sourcing Holdings Limited, is not controlled by any one individual as defined by FRS 8, Related Party Disclosures.

Lloyds Development Capital Limited and Lloyds TSB Ventures Nominees Limited together hold 46.1% (2012 - 46.1%) of the issued share capital of UP Global Sourcing Holdings Limited. The remaining shares are held by management, none of whom individually control the company.

23. Related party transactions

The company occupies premises owned by the Ultimate Products Pension Scheme, of which B Franks is a trustee. During the year the company paid rent of £147,000 (2012 - £180,000) to the Scheme.

The company has taken advantage of the exemption available under FRS8 in order not to disclose intra-group transactions.