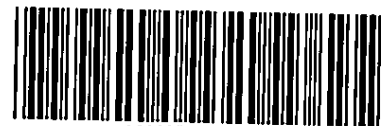


**BETA SERVICES (UK) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**31 MARCH 2007**

SATURDAY



A39      \*ALWUBWOG\*      363  
26/01/2008  
COMPANIES HOUSE

**HURST MORRISON THOMSON LLP**  
Chartered Accountants & Registered Auditors  
5 Fairmile  
Henley-on-Thames  
Oxfordshire  
RG9 2JR

# **BETA SERVICES (UK) LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2007**

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<b>CONTENTS</b>	<b>PAGE</b>
Officers and professional advisers	<b>1</b>
The directors' report	<b>2</b>
Independent auditor's report to the shareholders	<b>5</b>
Group profit and loss account	<b>7</b>
Group balance sheet	<b>8</b>
Balance sheet	<b>9</b>
Group cash flow statement	<b>10</b>
Notes to the financial statements	<b>12</b>

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# **BETA SERVICES (UK) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

G Wilson  
I M Wilson

**Company secretary**

G Wilson

**Registered office**

11 Indecon Court  
Millharbour  
Docklands  
London  
E14 9TN

**Auditor**

Hurst Morrison Thomson LLP  
Chartered Accountants  
& Registered Auditors  
5 Fairmile  
Henley-on-Thames  
Oxfordshire  
RG9 2JR

**Bankers**

HSBC Bank Plc  
PO Box 648  
27-32 Poultry  
London  
EC2P 2BX

**Solicitors**

Gough Clinton & Broom  
104 Bellegrove Road  
Welling  
Kent  
DE16 3QD

# **BETA SERVICES (UK) LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 MARCH 2007**

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The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2007

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was that of a holding company

The principal activity of the group during the year was the supply and maintenance of office equipment. The whole of the turnover of the group during the year was attributable to this continuing activity.

2007 has been a challenging year for all those involved in distribution and particularly in the technology sector. Margins continue to come under extreme pressure as competition for market share intensifies and the internet poses a greater and greater threat.

Business failures have been high this year and I am concerned for the future longevity of businesses that do not have their cost base under control as they are forced to compete with market entrants whose barriers to entry are minimal.

On a personal level, I am pleased to report a strong growth in sales for the current year, an increase of 18% on 2006. This turnover increase shows the business has the ability to proactively win business and I expect further growth through 2008. As we continue to develop our product range and as we become more efficient I anticipate a return in 2008 to the profit levels delivered in 2006.

The support of my fellow directors and key management staff must once again be recognized and the infrastructure of the business is now far more robust and able to deliver greater growth and profitability in future years.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £220,535. The directors have not recommended a dividend.

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

##### **Margin Erosion**

In a highly competitive environment and with the ever increasing influence of the internet, prices are coming under increasing scrutiny, we recognise that we need to continue to buy aggressively and minimise overheads in order to report a continued growth in profitability.

##### **Customer base**

In an industry where more and more of our competitors are setting up a direct side to their business we remain confident that by keeping by our principals of selling only to trade customers we will be seen as a welcome alternative. However we must continue to add diversity to our business in order to maximise opportunities in a shrinking market.

##### **Credit Risk**

Beta minimises its exposure to bad debts by enforcing a strict credit control procedure backed up by a credit insurance policy.

##### **Working Capital**

We recognise that liquidity is key in the distribution sector, by managing key ratios such as stock turn and debtors days we will ensure that the necessary working capital is our future expansion plans.

# **BETA SERVICES (UK) LIMITED**

## **THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2007**

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### **DIRECTORS**

The directors who served the company during the year were as follows

G Wilson  
I M Wilson

### **FIXED ASSETS**

The movements in tangible fixed assets during the year are set out in the notes to the accounts

### **EMPLOYEES**

The policy of the group is to offer the same opportunities to disabled people as to all others in respect of recruitment and career advancement provided their disability does not prevent them from carrying out their duties. Employees who become disabled will, wherever possible, be retained, rehabilitated and retrained.

### **POLICY ON THE PAYMENT OF CREDITORS**

It is the group's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the group and its suppliers, provided that all trading terms and conditions have been complied with.

At the year end, the group had an average of 41 (2006 39) days purchases outstanding in trade creditors.

### **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). 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 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 group will continue in business.

# BETA SERVICES (UK) LIMITED

## THE DIRECTORS' REPORT *(continued)*

### YEAR ENDED 31 MARCH 2007

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The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

there is no relevant audit information of which the group's auditor 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 auditor is aware of that information.

### DONATIONS

During the year the company made the following contributions

	2007	2006
	£	£
Charitable	<u>640</u>	<u>5,110</u>

### AUDITOR

A resolution to re-appoint Hurst Morrison Thomson LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office  
11 Indecon Court  
Millharbour  
Docklands  
London  
E14 9TN

Signed by order of the directors



G WILSON  
Company Secretary

Approved by the directors on 17/1/2008

# BETA SERVICES (UK) LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BETA SERVICES (UK) LIMITED

YEAR ENDED 31 MARCH 2007



HURST MORRISON THOMSON

5 Fairmile, Henley-on-Thames  
Oxfordshire RG9 2JR  
telephone 01491 579866  
facsimile 01491 573397  
email [hmt@hmtgroup.co.uk](mailto:hmt@hmtgroup.co.uk)  
[www.hmtgroup.com](http://www.hmtgroup.com)

We have audited the group and parent company financial statements ("the financial statements") of Beta Services (UK) Limited for the year ended 31 March 2007, which have been prepared on the basis of the accounting policies set out on pages 12 to 13

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

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

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

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and 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.

# BETA SERVICES (UK) LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BETA SERVICES (UK) LIMITED *(continued)*

YEAR ENDED 31 MARCH 2007

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### 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 group's and the parent company's affairs as at 31 March 2007 and of the group's profit for the year then ended,

the financial statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the Directors' Report is consistent with the financial statements



HURST MORRISON THOMSON LLP  
Chartered Accountants  
& Registered Auditors

5 Fairmile  
Henley-on-Thames  
Oxfordshire  
RG9 2JR

24<sup>th</sup> January 2008



**BETA SERVICES (UK) LIMITED**  
**GROUP PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2007**

	Note	2007 £	2006 £
<b>GROUP TURNOVER</b>	<b>2</b>	<b>49,431,085</b>	<b>41,788,666</b>
Cost of sales		<u>45,299,111</u>	<u>37,575,899</u>
<b>GROSS PROFIT</b>		<b>4,131,974</b>	<b>4,212,767</b>
Distribution costs		<u>1,009,037</u>	<u>889,214</u>
Administrative expenses		<u>2,387,951</u>	<u>2,265,731</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>734,986</b>	<b>1,057,822</b>
Other provisions		(25,000)	(25,000)
Interest payable and similar charges	<b>6</b>	<b>430,213</b>	<b>330,444</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>279,773</b></u>	<u><b>702,378</b></u>
Tax on profit on ordinary activities	<b>7</b>	<b>59,238</b>	<b>201,293</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>8</b>	<u><b>220,535</b></u>	<u><b>501,085</b></u>

All of the activities of the group are classed as continuing

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

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own Profit and Loss Account

The notes on pages 12 to 19 form part of these financial statements

# BETA SERVICES (UK) LIMITED

## GROUP BALANCE SHEET

31 MARCH 2007

	Note	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	9	<u>109,548</u>	<u>103,382</u>
<b>CURRENT ASSETS</b>			
Stocks	11	4,906,675	3,844,945
Debtors	12	11,197,870	10,902,312
Cash at bank and in hand		<u>105,670</u>	<u>1,095</u>
		<u>16,210,215</u>	<u>14,748,352</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>13,322,253</u>	<u>12,099,759</u>
<b>NET CURRENT ASSETS</b>		<u>2,887,962</u>	<u>2,648,593</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,997,510</u>	<u>2,751,975</u>
<b>PROVISIONS FOR LIABILITIES</b>			
Other provisions	15	<u>75,000</u>	<u>50,000</u>
		<u>2,922,510</u>	<u>2,701,975</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	18	100	100
Profit and loss account	19	<u>2,922,410</u>	<u>2,701,875</u>
<b>SHAREHOLDERS' FUNDS</b>	20	<u>2,922,510</u>	<u>2,701,975</u>

These financial statements were approved by the directors and authorised for issue on 17/1/2008, and are signed on their behalf by

G Wilson

I Wilson

The notes on pages 12 to 19 form part of these financial statements.

# BETA SERVICES (UK) LIMITED

## BALANCE SHEET

31 MARCH 2007

	Note	2007 £	2006 £
<b>FIXED ASSETS</b>			
Investments	10	<u>225,000</u>	<u>225,000</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>224,900</u>	<u>224,900</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>100</u>	<u>100</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	18	<u>100</u>	<u>100</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>100</u>	<u>100</u>

These financial statements were approved by the directors and authorised for issue on 17/1/2008 and are signed on their behalf by

G Wilson

I Wilson

The notes on pages 12 to 19 form part of these financial statements

**BETA SERVICES (UK) LIMITED****GROUP CASH FLOW STATEMENT****YEAR ENDED 31 MARCH 2007**

	Note	2007 £	2006 £
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>		<b>1,049,227</b>	<b>(1,246,340)</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest paid		<u>(430,213)</u>	<u>(330,444)</u>
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b>(430,213)</b>	<b>(330,444)</b>
<b>TAXATION</b>		<b>(203,478)</b>	<b>(155,131)</b>
<b>CAPITAL EXPENDITURE</b>			
Payments to acquire tangible fixed assets		<u>(39,866)</u>	<u>(51,874)</u>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		<b>(39,866)</b>	<b>(51,874)</b>
<b>CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>		<b>375,670</b>	<b>(1,783,789)</b>
<b>FINANCING</b>			
Increase in invoice discounting		14,603	1,349,587
Increase in bank loans		<u>152,858</u>	<u>—</u>
<b>NET CASH INFLOW FROM FINANCING</b>		<b>167,461</b>	<b>1,349,587</b>
<b>INCREASE/(DECREASE) IN CASH</b>		<b>543,131</b>	<b>(434,202)</b>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>			
		2007 £	2006 £
Operating profit		734,986	1,057,822
Depreciation		33,700	31,218
(Increase)/decrease in stocks		(1,061,730)	108,059
Increase in debtors		(295,558)	(2,242,657)
Increase/(decrease) in creditors		1,612,829	(225,782)
Increase in provisions		<u>25,000</u>	<u>25,000</u>
Net cash inflow/(outflow) from operating activities		<u><b>1,049,227</b></u>	<u><b>(1,246,340)</b></u>

The notes on pages 12 to 19 form part of these financial statements.

# BETA SERVICES (UK) LIMITED

## GROUP CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 MARCH 2007

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2007 £	2006 £
Increase/(decrease) in cash in the period	543,131	(434,202)
Net cash (inflow) from invoice discounting	(14,603)	(1,349,587)
Net cash (inflow) from bank loans	(152,858)	—
	<u>375,670</u>	<u>(1,783,789)</u>
Change in net debt	375,670	(1,783,789)
Net debt at 1 April 2006	(6,498,064)	(4,714,275)
Net debt at 31 March 2007	<u>(6,122,394)</u>	<u>(6,498,064)</u>

### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2006 £	Cash flows £	At 31 Mar 2007 £
Net cash			
Cash in hand and at bank	1,095	104,575	105,670
Overdrafts	(438,556)	438,556	—
	<u>(437,461)</u>	<u>543,131</u>	<u>105,670</u>
Debt			
Debt due within 1 year	(6,060,603)	(167,461)	(6,228,064)
Net debt	<u>(6,498,064)</u>	<u>375,670</u>	<u>(6,122,394)</u>

The notes on pages 12 to 19 form part of these financial statements

# **BETA SERVICES (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2007**

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### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

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

#### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the group profit and loss account after or up to the date that control passes respectively. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

#### **Related parties transactions**

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the group.

#### **Turnover**

The turnover shown in the group profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 15% Straight Line
Motor Vehicles	- 25% Straight Line
Equipment	- 25% Straight line

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **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.

# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

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### 1. ACCOUNTING POLICIES *(continued)*

#### Pension costs

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

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

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

### 2. TURNOVER

In the opinion of the directors it may be seriously prejudicial to the interests of the company to disclose information regarding turnover, they have therefore taken exemption under paragraph 55(5) of Schedule 4 of the Companies Act 1985.

### 3. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2007	2006
	£	£
Depreciation of owned fixed assets	33,700	31,218
Operating lease costs		
Other	94,492	170,491
Net loss/(profit) on foreign currency translation	26,265	(825)
Auditor's remuneration	<u>13,000</u>	<u>13,000</u>

The audit fees for Beta Services (UK) Limited have been paid by another group company for both the current and the preceding year.

	2007	2006
	£	£
Auditor's remuneration - audit of the financial statements	<u>13,000</u>	<u>13,000</u>

# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

### 4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2007	2006
	No	No
Sales staff	15	14
Administrative staff	16	13
Management staff	3	4
	<u>34</u>	<u>31</u>

The aggregate payroll costs of the above were

	2007	2006
	£	£
Wages and salaries	1,455,820	1,199,643
Social security costs	163,323	130,761
Staff pension costs	24,685	19,428
Other pension costs	12,000	112,000
	<u>1,655,828</u>	<u>1,461,832</u>

### 5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2007	2006
	£	£
Emoluments receivable	236,629	306,157
Value of company pension contributions to money purchase schemes	18,000	119,050
	<u>254,629</u>	<u>425,207</u>

#### Emoluments of highest paid director:

	2007	2006
	£	£
Total emoluments (excluding pension contributions)	<u>62,000</u>	<u>101,533</u>

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

	2007	2006
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>



# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Interest payable on bank borrowing	35,397	11,580
Other similar charges payable	394,816	318,864
	<u>430,213</u>	<u>330,444</u>

### 7. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2007 £	2006 £
Current tax		
UK Corporation tax based on the results for the year at -% (2006 - -%)	60,311	201,293
(Over)/under provision in prior year	(1,073)	-
Total current tax	<u>59,238</u>	<u>201,293</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of -% (2006 - -%)

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>279,773</u>	<u>702,378</u>
Profit/(loss) on ordinary activities by rate of tax	83,932	210,713
Expenses disallowed	11,466	12,708
Depreciation in excess of capital allowances	(2,365)	(1,245)
Marginal rate relief	(32,722)	(20,883)
Sundry tax adjusting items	(1,073)	-
Total current tax (note 7(a))	<u>59,238</u>	<u>201,293</u>

### 8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £Nil (2006 - £Nil)

# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

### 9. TANGIBLE FIXED ASSETS

Group	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
<b>COST</b>				
At 1 April 2006	258,169	65,237	160,585	483,991
Additions	39,866	—	—	39,866
At 31 March 2007	<u>298,035</u>	<u>65,237</u>	<u>160,585</u>	<u>523,857</u>
<b>DEPRECIATION</b>				
At 1 April 2006	190,340	29,684	160,585	380,609
Charge for the year	18,641	15,059	—	33,700
At 31 March 2007	<u>208,981</u>	<u>44,743</u>	<u>160,585</u>	<u>414,309</u>
<b>NET BOOK VALUE</b>				
At 31 March 2007	<u>89,054</u>	<u>20,494</u>	—	<u>109,548</u>
At 31 March 2006	<u>67,829</u>	<u>35,553</u>	—	<u>103,382</u>

### 10. INVESTMENTS

Company	Group companies £
<b>COST</b>	
At 1 April 2006 and 31 March 2007	<u>225,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2007	<u>225,000</u>
At 31 March 2006	<u>225,000</u>

The company owns 100% of the issued share capital of Beta Distribution Plc whose results are included in the consolidated financial statements

### 11. STOCKS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Finished goods	<u>4,906,675</u>	<u>3,844,945</u>	—	—

# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

### 12. DEBTORS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Trade debtors	9,123,852	8,854,666	—	—
Beta Export Loan Account	195,667	—	—	—
Other debtors	69,229	309,599	—	—
Prepayments and accrued income	1,809,122	1,738,047	—	—
	<u>11,197,870</u>	<u>10,902,312</u>	<u>—</u>	<u>—</u>

### 13. CREDITORS: Amounts falling due within one year

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Invoice discounting	6,075,206	6,060,603	—	—
Bank loans and overdrafts	152,858	438,556	—	—
Trade creditors	5,985,110	4,706,302	—	—
Directors' loan accounts	179,681	220,974	224,900	224,900
Corporation tax	78,721	222,961	—	—
Other taxation and social security	777,947	253,653	—	—
Accruals and deferred income	72,730	196,710	—	—
	<u>13,322,253</u>	<u>12,099,759</u>	<u>224,900</u>	<u>224,900</u>

The overdraft is secured by an unscheduled mortgage debenture dated 7 June 2004 with a fixed and floating charge over all current and future assets of the company

Book Debt waiver issued in favour of HSBC Invoice Finance (UK) Limited dated 25 June 2004

The following liabilities disclosed under creditors falling due within one year are secured by the company

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Invoice discounting	6,102,589	6,060,603	—	—
Bank loans and overdrafts	152,858	438,556	—	—
	<u>6,255,447</u>	<u>6,499,159</u>	<u>—</u>	<u>—</u>

### 14. PENSIONS

The company has operated a defined contribution scheme during the year. There were no prepaid contributions at 31 March 2007 (2006: £Nil).

# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

### 15. OTHER PROVISIONS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Other provisions	<u>75,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>

### 16. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2007 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2007	2006
	£	£
Operating leases which expire		
Within 2 to 5 years	<u>89,500</u>	<u>89,500</u>

### 17. RELATED PARTY TRANSACTIONS

The group was under the control of Mr G Wilson, director throughout the current and previous year

During the year the group was charged £35,000 (2006 £35,000) for services provided by Beta Export Partnership, a partnership operated by the directors of Beta Distribution plc. Included in debtors at 31 March 2007 the group was owed by the partnership £195,667 (2006 £139,907)

### 18. SHARE CAPITAL

#### Authorised share capital:

	2007	2006
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

#### Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

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### 19. RESERVES

Group	Profit and loss account £
Balance brought forward	2,701,875
Profit for the year	<u>220,535</u>
Balance carried forward	<u>2,922,410</u>
Company	Profit and loss account £
Balance carried forward	<u>—</u>

### 20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit for the financial year	220,535	501,085
Opening shareholders' funds	<u>2,701,975</u>	<u>2,200,890</u>
Closing shareholders' funds	<u>2,922,510</u>	<u>2,701,975</u>

### 22. CONTINGENCIES

The directors have confirmed that there were no contingent liabilities which should be disclosed at 31 March 2007

### 23. CAPITAL COMMITMENTS

The directors have confirmed that there were no capital commitments at 31 March 2007