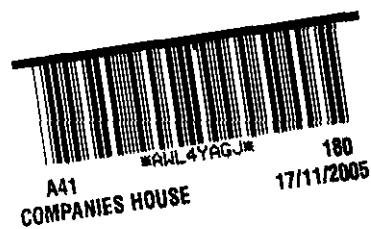


COMPANY REGISTRATION NUMBER 3512997

BETA SERVICES (UK) LIMITED
FINANCIAL STATEMENTS
FOR
31 MARCH 2005



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 2005

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BETA SERVICES (UK) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

G Wilson
I M Wilson

Company secretary

G Wilson

Registered office

11 Indecon Court
Millharbour
Docklands
London
E14 9TN

Auditors

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 2005

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2005.

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.

MANAGING DIRECTORS' REPORT

Overall I am pleased to report another successful year in what were particularly trying economic conditions. With the continued erosion of pricing and margins under increasing pressure, to report turnover growth of 14% and profit growth of 37% is a testament to the hard work of my co directors and staff.

The introduction of the internet provides both challenges and opportunities to us all, we need to continue to buy better and find new products to maintain our gross margin and this year the introduction of our Audio Visual team has provided welcome diversity.

On the Finance side, this year we have had tremendous support from our new bankers whilst I have maintained my commitment to take no dividend yet again this year. Both of these should help us fund what are further aggressive growth plans this year.

In conclusion, I would like to thank all of our vendors, customers and staff who have all contributed to our continued success.

RESULTS AND DIVIDENDS

The trading results for the year and the group's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2005	At 1 April 2004
G Wilson	51	51
I M Wilson	—	—
	<u> </u>	<u> </u>

FIXED ASSETS

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

BETA SERVICES (UK) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2005

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 compiled with.

At the year-end, the group had an average of 48 (2004: 40) days' purchases outstanding in trade creditors.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 12 to 13, and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

DONATIONS

During the year the company made the following contributions:

	2005	2004
	£	£
Charitable	<u>3,413</u>	<u>3,060</u>

BETA SERVICES (UK) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2005

AUDITORS

A resolution to re-appoint Hurst Morrison Thomson LLP as auditors 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 10/11/05

BETA SERVICES (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BETA SERVICES (UK) LIMITED

YEAR ENDED 31 MARCH 2005



HURST MORRISON THOMSON

5 Fairmile Henley-on-Thames
Oxfordshire RG9 2JR

telephone: 01491 579866

facsimile: 01491 573397

email: hmt@hmtgroup.co.uk

www.hmtgroup.com

We have audited the financial statements of Beta Services (UK) Limited for the year ended 31 March 2005 on pages 7 to 20 which have been prepared under the historical cost convention and 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 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the group 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 United Kingdom Auditing Standards 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 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 AUDITORS' REPORT TO THE SHAREHOLDERS OF BETA SERVICES (UK) LIMITED *(continued)*

YEAR ENDED 31 MARCH 2005

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs and of the group as at 31 March 2005 and of the profit of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



HURST MORRISON THOMSON LLP
Chartered Accountants
& Registered Auditors

5 Fairmile
Henley-on-Thames
Oxfordshire
RG9 2JR

..15th November, 2005

BETA SERVICES (UK) LIMITED
GROUP PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2005

	Note	2005 £	2004 £
GROUP TURNOVER	2	36,234,184	31,873,798
Cost of sales		32,707,324	28,456,467
GROSS PROFIT		3,526,860	3,417,331
Distribution costs		696,715	709,236
Administrative expenses		1,955,410	2,073,494
OPERATING PROFIT	3	874,735	634,601
Other provisions		(25,000)	—
		849,735	634,601
Interest receivable		—	622
Interest payable and similar charges	6	(273,407)	(216,924)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		576,328	418,299
Tax on profit on ordinary activities	7	160,323	111,044
RETAINED PROFIT FOR THE FINANCIAL YEAR	8	416,005	307,255

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.

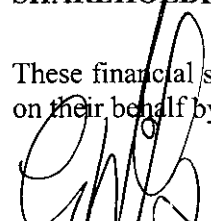
BETA SERVICES (UK) LIMITED

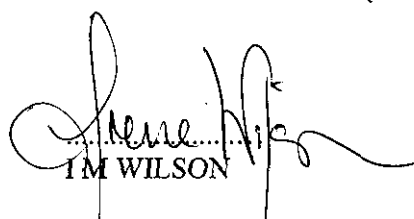
GROUP BALANCE SHEET

31 MARCH 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible assets	9	<u>82,726</u>	<u>158,902</u>
CURRENT ASSETS			
Stocks	11	3,953,004	2,471,975
Debtors	12	8,659,655	7,280,816
Cash in hand		<u>1,095</u>	<u>1,005</u>
		<u>12,613,754</u>	<u>9,753,796</u>
CREDITORS: Amounts falling due within one year	13	<u>10,470,590</u>	<u>8,117,933</u>
NET CURRENT ASSETS		<u>2,143,164</u>	<u>1,635,863</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,225,890</u>	<u>1,794,765</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	15	—	9,880
Other provisions	16	<u>25,000</u>	<u>—</u>
		<u>2,200,890</u>	<u>1,784,885</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	100	100
Profit and loss account	20	<u>2,200,790</u>	<u>1,784,785</u>
SHAREHOLDERS' FUNDS	21	<u>2,200,890</u>	<u>1,784,885</u>

These financial statements were approved by the directors on the 10/11/05 and are signed on their behalf by:


G WILSON


IM WILSON

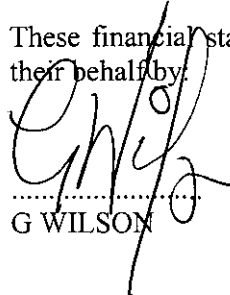
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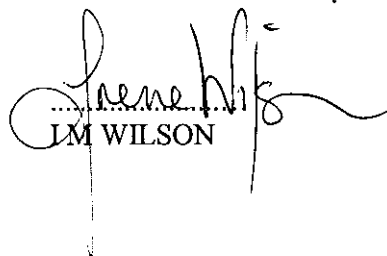
BALANCE SHEET

31 MARCH 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Investments	10	<u>225,000</u>	<u>225,000</u>
CREDITORS: Amounts falling due within one year	13	<u>224,900</u>	<u>224,900</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	<u>100</u>	<u>100</u>
SHAREHOLDERS' FUNDS		<u>100</u>	<u>100</u>

These financial statements were approved by the directors on the 10/11/05 and are signed on their behalf by:


G WILSON


IM WILSON

The notes on pages 12 to 20 form part of these financial statements.

BETA SERVICES (UK) LIMITED**GROUP CASH FLOW STATEMENT****YEAR ENDED 31 MARCH 2005**

	2005 £	2004 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(284,073)	902,198
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	—	622
Interest paid	<u>(273,407)</u>	<u>(216,924)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(273,407)	(216,302)
TAXATION	(109,329)	(89,941)
CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	—	(46,383)
Receipts from sale of fixed assets	<u>—</u>	<u>3,799</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	—	(42,584)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING	(666,809)	553,371
FINANCING		
Repayment of invoice discounting	<u>944,160</u>	<u>(536,180)</u>
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	944,160	(536,180)
INCREASE IN CASH	<u>277,351</u>	<u>17,191</u>
RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		
	2005 £	2004 £
Operating profit	874,735	634,601
Depreciation	76,176	58,641
Profit on disposal of fixed assets	—	(189)
(Increase)/decrease in stocks	(1,481,029)	352,733
Increase in debtors	(1,378,839)	(39,965)
Increase/(decrease) in creditors	1,599,884	(103,623)
Increase in provisions	<u>25,000</u>	<u>—</u>
Net cash (outflow)/inflow from operating activities	<u>(284,073)</u>	<u>902,198</u>

The notes on pages 12 to 20 form part of these financial statements.

BETA SERVICES (UK) LIMITED**GROUP CASH FLOW STATEMENT** *(continued)***YEAR ENDED 31 MARCH 2005****RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2005 £	2004 £
Increase in cash in the period	277,351	17,191
Net cash (inflow) from/outflow from invoice discounting	(944,160)	536,180
	<u>(666,809)</u>	<u>553,371</u>
Change in net debt	(666,809)	553,371
Net debt at 1 April 2004	(4,047,466)	(4,600,837)
Net debt at 31 March 2005	<u>(4,714,275)</u>	<u>(4,047,466)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2004 £	Cash flows £	At 31 Mar 2005 £
Net cash:			
Cash in hand and at bank	1,005	90	1,095
Overdrafts	<u>(281,615)</u>	<u>277,261</u>	<u>(4,354)</u>
	<u>(280,610)</u>	<u>277,351</u>	<u>(3,259)</u>
Debt:			
Debt due within 1 year	<u>(3,766,856)</u>	<u>(944,160)</u>	<u>(4,711,016)</u>
Net debt	<u>(4,047,466)</u>	<u>(666,809)</u>	<u>(4,714,275)</u>

The notes on pages 12 to 20 form part of these financial statements.

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

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 2005

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.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

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.

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2005	2004
	£	£
Depreciation of owned fixed assets	76,176	58,641
Profit on disposal of fixed assets	—	(189)
Auditors' remuneration		
- as auditors	13,000	12,000
- for other services	—	5,050
Operating lease costs:		
Land and buildings	68,411	66,265
Net profit on foreign currency translation	<u>(7,666)</u>	<u>(18,827)</u>

4. PARTICULARS OF EMPLOYEES

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

	2005	2004
	No	No
Distribution staff	19	17
Administrative staff	12	11
	<u>31</u>	<u>28</u>

The aggregate payroll costs of the above were:

	2005	2004
	£	£
Wages and salaries	1,074,618	951,441
Social security costs	116,005	101,552
Staff pension costs	13,209	12,233
Other pension costs	17,113	11,033
	<u>1,220,945</u>	<u>1,076,259</u>

5. DIRECTORS' EMOLUMENTS

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

	2005	2004
	£	£
Emoluments receivable	255,935	262,698
Value of company pension contributions to money purchase schemes	17,113	11,033
	<u>273,048</u>	<u>273,731</u>

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

5. DIRECTORS' EMOLUMENTS *(continued)*

Emoluments of highest paid director:

	2005	2004
	£	£
Total emoluments (excluding pension contributions)	74,319	94,445
Value of company pension contributions to money purchase schemes	3,113	3,000
	<u>77,432</u>	<u>97,445</u>

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

	2005	2004
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004
	£	£
Interest payable on bank borrowing	7,749	8,580
Other similar charges payable	265,658	208,344
	<u>273,407</u>	<u>216,924</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2005	2004
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at -% (2004 - -%)	176,418	115,925
(Over)/under provision in prior year	(6,215)	311
Total current tax	<u>170,203</u>	<u>116,236</u>
Deferred tax:		
Origination and reversal of timing differences	(9,880)	(5,192)
Tax on profit on ordinary activities	<u>160,323</u>	<u>111,044</u>

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(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 30% (2004 - 30%).

	2005 £	2004 £
Profit on ordinary activities before taxation	<u>576,328</u>	<u>418,299</u>
Profit/(loss) on ordinary activities by rate of tax	172,898	125,490
Non deductible expenses	11,451	3,280
Prior year tax adjustments	(6,215)	(311)
Depreciation in excess of capital allowances	15,828	(8,087)
Other reconciling items	<u>(23,759)</u>	<u>(4,136)</u>
Total current tax (note 7(a))	<u>170,203</u>	<u>116,236</u>

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £Nil (2004 - £Nil).

9. TANGIBLE FIXED ASSETS

Group	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST				
At 1 April 2004 and 31 March 2005	<u>227,455</u>	<u>57,017</u>	<u>160,584</u>	<u>445,056</u>
DEPRECIATION				
At 1 April 2004	149,829	20,440	115,885	286,154
Charge for the year	21,708	9,769	44,699	76,176
At 31 March 2005	<u>171,537</u>	<u>30,209</u>	<u>160,584</u>	<u>362,330</u>
NET BOOK VALUE				
At 31 March 2005	<u>55,918</u>	<u>26,808</u>	<u>—</u>	<u>82,726</u>
At 31 March 2004	<u>77,626</u>	<u>36,577</u>	<u>44,699</u>	<u>158,902</u>

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

10. INVESTMENTS

Company	Group companies
	£
COST	
At 1 April 2004 and 31 March 2005	<u>225,000</u>
NET BOOK VALUE	
At 31 March 2005	<u>225,000</u>
At 31 March 2004	<u>225,000</u>

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

11. STOCKS

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Finished goods	<u>3,953,004</u>	<u>2,471,975</u>	<u>-</u>	<u>-</u>

12. DEBTORS

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Trade debtors	6,900,616	5,940,195	-	-
VAT recoverable	155,187	372,584	-	-
Beta Export Loan Account	127,211	-	-	-
Other debtors	8,242	79,728	-	-
Directors current accounts	7,958	7,019	-	-
Prepayments and accrued income	1,460,441	881,290	-	-
	<u>8,659,655</u>	<u>7,280,816</u>	<u>-</u>	<u>-</u>

The maximum balance during the year of C Slaymark director loan account was £7,958, at 31 March 2005 the balance outstanding was £7,958. The loan is interest free.

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

13. CREDITORS: Amounts falling due within one year

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Invoice discounting	4,711,016	3,766,856	—	—
Bank loans and overdrafts	4,354	281,615	—	—
Trade creditors	5,270,799	3,648,532	—	—
Directors' loan accounts	215,588	212,148	224,900	224,900
Corporation tax	176,799	115,925	—	—
Other taxation and social security	65,559	65,523	—	—
Beta Export Loan Account	—	18,740	—	—
Accruals and deferred income	26,475	8,594	—	—
	<u>10,470,590</u>	<u>8,117,933</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	
	2005	2004	2005	2004
	£	£	£	£
Invoice discounting	4,711,016	3,766,856	—	—
Bank loans and overdrafts	4,354	281,615	—	—
	<u>4,715,370</u>	<u>4,048,471</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 2005 (2004: £Nil).

15. DEFERRED TAXATION

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

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Provision brought forward	9,880	15,072	—	—
Decrease in provision	(9,880)	(5,192)	—	—
Provision carried forward	<u>—</u>	<u>9,880</u>	<u>—</u>	<u>—</u>

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

16. OTHER PROVISIONS

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Other provisions	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2005 the group had annual commitments under non-cancellable operating leases as set out below.

Group	Land and buildings	
	2005	2004
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>64,240</u>	<u>64,240</u>

18. RELATED PARTY TRANSACTIONS

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

During the year the company was charged £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 2005 the company was owed by the partnership £127,211 (2004: Other creditors £(18,740)).

19. SHARE CAPITAL

Authorised share capital:

	2005	2004
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

BETA SERVICES (UK) LIMITED

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YEAR ENDED 31 MARCH 2005

20. RESERVES

Group	Profit and loss account £
Balance brought forward	1,784,785
Retained profit for the year	416,005
Balance carried forward	<u>2,200,790</u>

Company	Profit and loss account £
	-

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005 £	2004 £
Profit for the financial year	416,005	307,255
Opening shareholders' equity funds	<u>1,784,885</u>	<u>1,477,630</u>
Closing shareholders' equity funds	<u>2,200,890</u>	<u>1,784,885</u>

22. CONTINGENCIES

The directors have confirmed that there were no contingent liabilities which should be disclosed at 31 March 2005.

23. CAPITAL COMMITMENTS

The directors have confirmed that there were no capital commitments at 31 March 2005.