

COMPANY REGISTRATION NUMBER 3512997

BETA SERVICES (UK) LIMITED
FINANCIAL STATEMENTS

31 MARCH 2010



HMT ASSURANCE LLP
Chartered Accountants & Statutory Auditor
5 Fairmile
Henley-on-Thames
Oxfordshire
RG9 2JR

BETA SERVICES (UK) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

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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	Unit 2 Quebec Wharf 14 Thomas Road London E14 7AF
Auditor	HMT Assurance LLP Chartered Accountants & Statutory Auditor 5 Fairmile Henley-on-Thames Oxfordshire RG9 2JR
Bankers	Lloyds TSB Bank Plc PO Box 1000 BX1 1LT
Solicitors	Gough Clinton & Broom 104 Bellegrove Road Welling Kent DE16 3QD

BETA SERVICES (UK) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2010

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 March 2010

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

Our latest figures are another step towards establishing ourselves as one of the UK's leading EOS wholesalers To deliver record levels of both revenue and profit is a fantastic achievement in what has been a very difficult period for the industry as a whole We are now selling more products to more customers, building upon our already diverse customer and product base The business has broken into new exciting areas this year and I am confident that in each of 5 product divisions we will show strong growth in the coming years As always this is an opportunity for me to thank my staff and fellow directors for their continued hard work and support and I look forward to sharing a successful trading period in 2010/11 with them

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,045,082 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 principles 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 available to meet our future expansion plans

DIRECTORS

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

G Wilson

I M Wilson

BETA SERVICES (UK) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2010

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 (2009: 39) days' purchases outstanding in trade creditors.

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 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 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and 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 2006. 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.
-

BETA SERVICES (UK) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2010

DONATIONS

During the year the company made the following contributions

	2010	2009
	£	£
Charitable	<u>1,778</u>	<u>320</u>

AUDITOR

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

Registered office
Unit 2 Quebec Wharf
14 Thomas Road
London
E14 7AF

Signed by order of the directors



G WILSON
Company Secretary

Approved by the directors on 23/12/10

BETA SERVICES (UK) LIMITED

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

YEAR ENDED 31 MARCH 2010



HMT Assurance

5 Fairmile Henley-on-Thames
Oxfordshire RG9 2JR

telephone 01491 579866

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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 2010. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 to 4, 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 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.

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 directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2010 and of the group's 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.

BETA SERVICES (UK) LIMITED

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

YEAR ENDED 31 MARCH 2010

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



David Hurst
Senior Statutory Auditor
For and on behalf of
HMT ASSURANCE LLP
Chartered Accountants
& Statutory Auditor

5 Fairmile
Henley-on-Thames
Oxfordshire
RG9 2JR

30.12.2010

BETA SERVICES (UK) LIMITED
GROUP PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2010

	Note	2010 £	2009 £
GROUP TURNOVER	2	94,665,321	68,475,976
Cost of sales		<u>86,344,151</u>	<u>62,478,016</u>
GROSS PROFIT		8,321,170	5,997,960
Distribution costs		<u>1,763,056</u>	<u>1,262,833</u>
Administrative expenses		<u>4,767,690</u>	<u>3,534,509</u>
OPERATING PROFIT	3	1,790,424	1,200,618
Interest payable and similar charges	6	337,219	511,605
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,453,205	689,013
Tax on profit on ordinary activities	7	408,123	235,701
PROFIT FOR THE FINANCIAL YEAR	8	1,045,082	453,312

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 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 12 to 21 form part of these financial statements

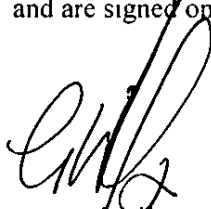
BETA SERVICES (UK) LIMITED

GROUP BALANCE SHEET

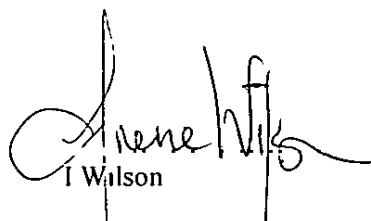
31 MARCH 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible assets	9	392,466	312,662
Tangible assets	10	<u>224,162</u>	<u>174,085</u>
		<u>616,628</u>	<u>486,747</u>
CURRENT ASSETS			
Stocks	12	10,389,471	9,940,134
Debtors	13	22,527,164	16,307,158
Cash at bank and in hand		<u>13,289</u>	<u>318,145</u>
		<u>32,929,924</u>	<u>26,565,437</u>
CREDITORS: Amounts falling due within one year	14	<u>28,934,367</u>	<u>23,482,095</u>
NET CURRENT ASSETS		<u>3,995,557</u>	<u>3,083,342</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,612,185</u>	<u>3,570,089</u>
CREDITORS: Amounts falling due after more than one year	15	<u>2,344</u>	<u>5,330</u>
		<u>4,609,841</u>	<u>3,564,759</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	100	100
Profit and loss account	20	<u>4,609,741</u>	<u>3,564,659</u>
SHAREHOLDERS' FUNDS	21	<u>4,609,841</u>	<u>3,564,759</u>

These financial statements were approved by the directors and authorised for issue on 23/12/10, and are signed on their behalf by



G Wilson



I Wilson

The notes on pages 12 to 21 form part of these financial statements

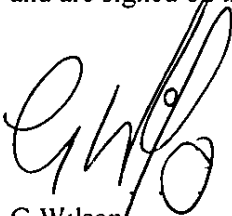
BETA SERVICES (UK) LIMITED

BALANCE SHEET

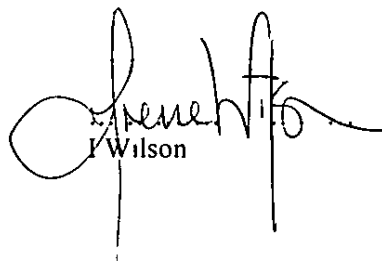
31 MARCH 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Investments	11	<u>820,579</u>	<u>820,579</u>
CREDITORS: Amounts falling due within one year	14	<u>820,479</u>	<u>820,479</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 and authorised for issue on 23/12/10 ,
and are signed on their behalf by



G Wilson



I Wilson

Company Registration Number 3512997

The notes on pages 12 to 21 form part of these financial statements

BETA SERVICES (UK) LIMITED**GROUP CASH FLOW STATEMENT****YEAR ENDED 31 MARCH 2010**

	2010 £	2009 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(2,176,659)	(1,368,265)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(337,219)	(511,605)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(337,219)	(511,605)
TAXATION	(309,342)	(34,913)
CAPITAL EXPENDITURE		
Payments to acquire intangible fixed assets	(105,120)	—
Payments to acquire tangible fixed assets	(88,968)	(35,562)
Receipts from sale of fixed assets	2,561	12,000
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(191,527)	(23,562)
CASH OUTFLOW BEFORE FINANCING	(3,014,747)	(1,938,345)
FINANCING		
Increase in invoice discounting	2,674,274	2,985,016
Capital element of hire purchase	(2,986)	(4,478)
NET CASH INFLOW FROM FINANCING	2,671,288	2,980,538
(DECREASE)/INCREASE IN CASH	(343,459)	1,042,193

RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	1,790,424	1,200,618
Amortisation	25,316	20,059
Depreciation	38,890	45,067
Profit on disposal of fixed assets	(2,560)	(6,579)
Increase in stocks	(449,337)	(3,213,333)
Increase in debtors	(6,220,006)	(2,791,325)
Increase in creditors	2,640,614	3,377,228
Net cash outflow from operating activities	(2,176,659)	(1,368,265)

The notes on pages 12 to 21 form part of these financial statements

BETA SERVICES (UK) LIMITED

GROUP CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2010

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2010 £	2009 £
(Decrease)/increase in cash in the period	(343,459)	1,042,193
Net cash (inflow) from invoice discounting	(2,674,274)	(2,985,016)
Cash outflow in respect of hire purchase	2,986	4,478
	<u>(3,014,747)</u>	<u>(1,938,345)</u>
Change in net debt	(3,014,747)	(1,938,345)
Net debt at 1 April 2009	(10,177,425)	(8,239,080)
Net debt at 31 March 2010	<u>(13,192,172)</u>	<u>(10,177,425)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2009 £	Cash flows £	At 31 Mar 2010 £
Net cash			
Cash in hand and at bank	318,145	(304,856)	13,289
Overdrafts	—	(38,603)	(38,603)
	<u>318,145</u>	<u>(343,459)</u>	<u>(25,314)</u>
Debt			
Debt due within 1 year	(10,487,240)	(2,674,274)	(13,161,514)
Hire purchase agreements	(8,330)	2,986	(5,344)
	<u>(10,495,570)</u>	<u>(2,671,288)</u>	<u>(13,166,858)</u>
Net debt	<u>(10,177,425)</u>	<u>(3,014,747)</u>	<u>(13,192,172)</u>

The notes on pages 12 to 21 form part of these financial statements

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

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 408 of the Companies Act 2006.

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.

Amortisation

Amortisation 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:

Goodwill	-	20 years
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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:

Leasehold Property	-	10% Straight line
Equipment	-	25% Straight line
Fixtures & Fittings	-	15% Straight line
Motor Vehicles	-	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, on the first in, first out basis.

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES *(continued)*

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the group profit and loss account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the group profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

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. 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.

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES *(continued)*

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.

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 SI2008/410 Schedule 1, paragraph 68 under the Companies Act 2006.

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2010	2009
	£	£
Amortisation of intangible assets	25,316	20,059
Depreciation of owned fixed assets	35,224	41,401
Depreciation of assets held under hire purchase agreements	3,666	3,666
Profit on disposal of fixed assets	(2,560)	(6,579)
Operating lease costs		
- Other	127,594	99,218
Auditor's remuneration	19,750	18,500

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

	2010	2009
	£	£
Auditor's remuneration - audit of the financial statements	19,750	18,500

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

4. PARTICULARS OF EMPLOYEES

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

	2010	2009
	No	No
Sales staff	31	22
Administrative staff	30	21
Management staff	6	7
	<u>67</u>	<u>50</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	2,983,861	2,025,550
Social security costs	323,969	240,938
Staff pension costs	32,114	25,442
Other pension costs	19,886	28,490
	<u>3,359,830</u>	<u>2,320,420</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	818,615	427,173
Value of company pension contributions to money purchase schemes	19,886	28,491
	<u>838,501</u>	<u>455,664</u>

Remuneration of highest paid director:

	2010	2009
	£	£
Total remuneration (excluding pension contributions)	<u>245,000</u>	<u>116,007</u>

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

	2010	2009
	No	No
Money purchase schemes	<u>4</u>	<u>4</u>

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £	2009 £
Interest payable on bank borrowing	19,913	29,890
Other similar charges payable	317,306	481,715
	<u>337,219</u>	<u>511,605</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax		
UK Corporation tax based on the results for the year at 28% (2009 - 28%)	408,123	235,701
Total current tax	<u>408,123</u>	<u>235,701</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 - 28%)

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>1,453,205</u>	<u>689,013</u>
Profit on ordinary activities by rate of tax	406,897	192,924
Expenses disallowed	9,536	3,730
Depreciation in excess of capital allowances	(5,940)	2,861
Marginal rate relief	-	8,031
Profits chargeable at lower than standard rate	(3,766)	-
Utilisation of losses brought forward	(4,138)	-
Unutilised losses carried forward	-	24,093
Amortisation of goodwill	5,534	4,062
Total current tax (note 7(a))	<u>408,123</u>	<u>235,701</u>

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £Nil (2009 - £Nil)

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

9. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 April 2009	401,181
Additions (note 22)	105,120
At 31 March 2010	506,301
AMORTISATION	
At 1 April 2009	88,519
Charge for the year	25,316
At 31 March 2010	113,835
NET BOOK VALUE	
At 31 March 2010	392,466
At 31 March 2009	312,662

During the year, the group acquired 100% of the issued share capital in FAF Limited, a company incorporated in England and Wales (see note 22)

10. TANGIBLE FIXED ASSETS

Group	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 April 2009	26,131	64,348	197,713	58,883	347,075
Additions	—	8,380	31,584	49,004	88,968
Disposals	—	—	—	(9,077)	(9,077)
At 31 March 2010	26,131	72,728	229,297	98,810	426,966
DEPRECIATION					
At 1 April 2009	20,546	52,250	70,808	29,386	172,990
Charge for the year	613	4,677	25,381	8,219	38,890
On disposals	—	—	—	(9,076)	(9,076)
At 31 March 2010	21,159	56,927	96,189	28,529	202,804
NET BOOK VALUE					
At 31 March 2010	4,972	15,801	133,108	70,281	224,162
At 31 March 2009	5,585	12,098	126,905	29,497	174,085

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

10. TANGIBLE FIXED ASSETS *(continued)*

Hire purchase agreements

Included within the net book value of £224,162 is £2,750 (2009 - £6,416) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £3,666 (2009 - £3,666)

11. INVESTMENTS

Company	Group companies £
COST	
At 1 April 2009 and 31 March 2010	<u>820,579</u>
NET BOOK VALUE	
At 31 March 2010 and 31 March 2009	<u>820,579</u>

The company owns 100% of the issued share capital of Beta Distribution Plc and Digital Office Supplies Limited, which in turn owns 100% of the issued share capital in FAF Limited. The results of all companies are included in the consolidated financial statements.

12. STOCKS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Finished goods	<u>10,389,471</u>	<u>9,940,134</u>	<u>—</u>	<u>—</u>

13. DEBTORS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	17,573,717	13,838,160	—	—
VAT recoverable	337,216	236,962	—	—
Beta Export loan account	379,724	242,804	—	—
Other debtors	270,083	104,118	—	—
Prepayments and accrued income	3,966,424	1,885,114	—	—
	<u>22,527,164</u>	<u>16,307,158</u>	<u>—</u>	<u>—</u>

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

14. CREDITORS: Amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Invoice discounting	13,161,514	10,487,240	–	–
Bank overdraft	38,603	–	–	–
Trade creditors	13,710,761	11,767,661	–	–
Amounts owed to group undertakings	–	–	595,579	595,579
Hire purchase agreements	3,000	3,000	–	–
Directors' loan accounts	304,746	191,257	224,900	224,900
Corporation tax	358,801	260,020	–	–
Other taxation and social security	287,148	21,390	–	–
Other creditors	100,007	109,735	–	–
Accruals and deferred income	969,787	641,792	–	–
	<u>28,934,367</u>	<u>23,482,095</u>	<u>820,479</u>	<u>820,479</u>

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

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Invoice discounting	<u>13,161,514</u>	<u>10,487,240</u>	<u>–</u>	<u>–</u>

15. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Hire purchase agreements	<u>2,344</u>	<u>5,330</u>	<u>–</u>	<u>–</u>

16. PENSIONS

The company has operated a defined contribution scheme during the year. There were no prepaid contributions at 31 March 2010 (2009: £Nil).

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2010 the group had annual commitments under non-cancellable operating leases as set out below

Group	2010		2009	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within 2 to 5 years	<u>92,077</u>	<u>10,865</u>	<u>72,077</u>	<u>7,598</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 group was charged £Nil (2009 £130,000) for services provided by Beta Export Partnership, a partnership operated by the directors of Beta Distribution plc. Included in debtors at 31 March 2010, the group was owed by the partnership £334,724 (2009 £242,804)

19. SHARE CAPITAL

Authorised share capital:

	2010	2009
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

20. RESERVES

Group	Profit and loss account £
Balance brought forward	3,564,659
Profit for the year	<u>1,045,082</u>
Balance carried forward	<u>4,609,741</u>

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2010

20. RESERVES *(continued)*

Company	Profit and loss account £
Balance carried forward	—

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Profit for the financial year	1,045,082	453,312
Opening shareholders' funds	3,564,759	3,111,447
Closing shareholders' funds	<u>4,609,841</u>	<u>3,564,759</u>

22. ACQUISITIONS

On 27 August 2009 the group acquired the entire share capital of FAF Limited. Details of the assets and liabilities acquired, and the goodwill arising on the transaction, are as follows

	Fair value and book value £
Tangible fixed assets	5,899
Debtors	96,600
Cash	8,235
Creditors	(108,897)
	<u>1,837</u>
Goodwill acquired	<u>105,120</u>
Satisfied by Consideration paid	<u>106,957</u>