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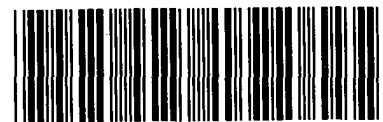
**BETA SERVICES (UK) LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2014**

TUESDAY



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**BETA SERVICES (UK) LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

S Soper  
G Wilson  
I Wilson

**REGISTERED NUMBER**

03512997

**REGISTERED OFFICE**

Unit 2 Quebec Wharf  
14 Thomas Road  
London  
E14 7AF

**INDEPENDENT AUDITORS**

Barnes Roffe LLP  
Chartered Accountants & Statutory Auditor  
3 Brook Business Centre  
Cowley Mill Road  
Uxbridge  
Middlesex  
UB8 2FX

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**BETA SERVICES (UK) LIMITED**

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**CONTENTS**

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	Page
<b>Group strategic report</b>	1 - 2
<b>Directors' report</b>	3 - 4
<b>Independent auditors' report</b>	5 - 6
<b>Consolidated profit and loss account</b>	7
<b>Consolidated balance sheet</b>	8
<b>Company balance sheet</b>	9
<b>Consolidated cash flow statement</b>	10
<b>Notes to the financial statements</b>	11 - 22

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## BETA SERVICES (UK) LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014

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#### INTRODUCTION

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 activity.

#### BUSINESS REVIEW AND FUTURE DEVELOPMENTS

This current trading year has seen an ever increasing level of competition across the Office Products range. As our market continues to mature there appears to be a fight to grow market share, whatever the cost to gross margin.

This proves to me beyond doubt that our strategy of differentiation and expansion into IT products is the correct thing to do. Not only will this ensure that sales can increase at an acceptable rate of return but we will quickly become the destination of choice for those resellers that want a one stop shop for everything that is required in a modern day office.

To produce trading results such as these in this kind of environment is extremely pleasing and we are gaining market recognition for our performance with increased levels of customer and vendor recruitment.

Focusing more closely on the results for a moment, sales have increased by 10% to £139.2m whilst the margin has been maintained at 9.0%. I am confident that our focus on new products will improve the margin in the medium term.

As our market faces continued consolidation it is imperative that we retain our identity as an innovative Distributor who brings a range of products to the market that is unrivalled amongst our direct competition. My team and I are completely focused on this approach and I thank my Board of Directors once again for their hard work to help deliver the results we have achieved.

#### PRINCIPAL RISKS AND UNCERTAINTIES

##### 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

The group 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 turnover and debtor days we will ensure that the necessary working capital is available to meet our future expansion plans.

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**BETA SERVICES (UK) LIMITED**

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**GROUP STRATEGIC REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2014**

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**FINANCIAL KEY PERFORMANCE INDICATORS**

The directors have monitored the progress of the group's strategy by reference to certain financial key performance indicators.

The group's turnover for the financial year was £139,248,014 (2013 - £126,930,885) an increase of 10%.  
The group's gross profit margin was 9% (2013 - 9%).

This report was approved by the board on

and signed on its behalf by:



23/12/2014

**S Soper  
Director**

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## BETA SERVICES (UK) LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

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The directors present their report and the financial statements for the year ended 31 March 2014.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the group strategic report, 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 group 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 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 company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### RESULTS

The profit for the year, after taxation, amounted to £1,263,896 (2013 - £430,788).

#### DIRECTORS

The directors who served during the year were:

S Soper  
G Wilson  
I Wilson

#### DONATIONS

During the year, the group made charitable contributions of £300 (2013 - £3,000).

#### DISABLED 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.

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**BETA SERVICES (UK) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

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**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 are complied with.

At the year end, the group had an average of 35 (2013 - 36) days purchases outstanding in trade creditors.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

**AUDITORS**

Barnes Roffe LLP were appointed auditors of the company in the year following the resignation of MHA Macintyre Hudson. Barnes Roffe LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

and signed on its behalf by:



23/12/2014

**S Soper**  
Director

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## BETA SERVICES (UK) LIMITED

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

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We have audited the financial statements of Beta Services (UK) Limited for the year ended 31 March 2014, set out on pages 7 to 22. 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the directors' responsibilities statement, 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 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 group's and the parent 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 group strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 group's and the parent company's affairs as at 31 March 2014 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 MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the group strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



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**BETA SERVICES (UK) LIMITED**

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

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**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.

*Barnes Roffe LLP*

Christopher Smith  
Senior Statutory Auditor  
for and on behalf of  
**Barnes Roffe LLP**  
Chartered Accountants & Statutory Auditor  
3 Brook Business Centre  
Cowley Mill Road  
Uxbridge  
Middlesex  
UB8 2FX  
Date: 23 DECEMBER 2014

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**BETA SERVICES (UK) LIMITED**

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**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2014**

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	Note	2014 £	2013 £
<b>TURNOVER</b>	1,2	<b>139,248,014</b>	<b>126,930,885</b>
Cost of sales		<b>(127,132,804)</b>	<b>(115,003,442)</b>
<b>GROSS PROFIT</b>		<b>12,115,210</b>	<b>11,927,443</b>
Distribution costs		<b>(4,152,720)</b>	<b>(3,656,586)</b>
Administrative expenses		<b>(5,810,500)</b>	<b>(7,210,815)</b>
<b>OPERATING PROFIT</b>	3	<b>2,151,990</b>	<b>1,060,042</b>
Interest payable and similar charges	7	<b>(535,353)</b>	<b>(463,085)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,616,637</b>	<b>596,957</b>
Tax on profit on ordinary activities	8	<b>(352,741)</b>	<b>(166,169)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	16	<b>1,263,896</b>	<b>430,788</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

**BETA SERVICES (UK) LIMITED**  
**REGISTERED NUMBER: 03512997**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	9		375,640		265,731
<b>CURRENT ASSETS</b>					
Stocks	11	13,491,229		14,302,062	
Debtors	12	31,166,427		27,024,300	
Cash at bank		703,886		1,526,538	
		<u>45,361,542</u>		<u>42,852,900</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(36,893,978)</u>		<u>(35,539,323)</u>	
<b>NET CURRENT ASSETS</b>			<u>8,467,564</u>		<u>7,313,577</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>8,843,204</u>		<u>7,579,308</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	14		<u>(29,870)</u>		<u>(29,870)</u>
<b>NET ASSETS</b>			<u><u>8,813,334</u></u>		<u><u>7,549,438</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		133		133
Profit and loss account	16		<u>8,787,601</u>		<u>7,523,705</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u>8,787,734</u>		<u>7,523,838</u>
<b>MINORITY INTERESTS</b>	18		<u>25,600</u>		<u>25,600</u>
			<u><u>8,813,334</u></u>		<u><u>7,549,438</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23/12/2014



**S Soper**  
Director

The notes on pages 11 to 22 form part of these financial statements.

**BETA SERVICES (UK) LIMITED**  
**REGISTERED NUMBER: 03512997**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Investments	10		225,000		225,000
<b>CURRENT ASSETS</b>					
Debtors	12	127,192		235,119	
Cash at bank		33		33	
		<u>127,225</u>		<u>235,152</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(305,596)</u>		<u>(413,523)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(178,371)</u>		<u>(178,371)</u>
<b>NET ASSETS</b>			<u>46,629</u>		<u>46,629</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		133		133
Profit and loss account	16		<u>46,496</u>		<u>46,496</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u>46,629</u>		<u>46,629</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23/12/2014.



**S Soper**  
Director

The notes on pages 11 to 22 form part of these financial statements.

**BETA SERVICES (UK) LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	19	(1,581,161)	636,953
Returns on investments and servicing of finance	20	(535,353)	(463,085)
Taxation		(157,233)	(476,976)
Capital expenditure and financial investment	20	(200,937)	(99,063)
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(2,474,684)</b>	<b>(402,171)</b>
Financing	20	1,652,032	2,143,986
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(822,652)</b>	<b>1,741,815</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 MARCH 2014**

	2014 £	2013 £
(Decrease)/Increase in cash in the year	(822,652)	1,741,815
Cash inflow from increase in debt and lease financing	(1,652,032)	(2,143,986)
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>(2,474,684)</b>	<b>(402,171)</b>
Net debt at 1 April 2013	(14,757,879)	(14,355,708)
<b>NET DEBT AT 31 MARCH 2014</b>	<b>(17,232,563)</b>	<b>(14,757,879)</b>

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## BETA SERVICES (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards and on the assumption that the group is a going concern.

##### 1.2 Basis of consolidation

The financial statements consolidate the accounts of Beta Services (UK) Limited and all of its subsidiary 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.

##### 1.3 Turnover

Turnover comprises revenue in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover is recognised at the point when goods or services are received by customers.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% straight line
Fixtures & fittings	-	20% straight line

##### 1.5 Investments

Investments in subsidiaries are valued at cost less any provision for impairment.

##### 1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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## BETA SERVICES (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

##### 1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

##### 1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### 1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

##### 1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

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**BETA SERVICES (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**2. TURNOVER**

The whole of the turnover derived from external customers is attributable to its one principal activity being the supply and maintenance of office equipment.

In the opinion of the directors, the disclosure of the turnover attributable to each geographical market would be seriously prejudicial to the interests of the company. They have therefore taken exemption under SI2008/410 Schedule 1, paragraph 68 under the Companies Act 2006.

**3. OPERATING PROFIT**

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

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the group	81,299	85,212
- held under finance leases	6,029	6,029
Operating lease rentals:		
- other operating leases	92,470	116,175
(Profit)/loss on sale of tangible assets	3,700	(8,584)

**4. AUDITORS' REMUNERATION**

	2014 £	2013 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	16,000	20,500
Fees payable to the company's auditor and its associates in respect of:		
All other non-audit services not included above	-	8,000

**5. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	3,794,216	5,313,006
Social security costs	475,195	449,650
Other pension costs	51,391	50,037
	4,320,802	5,812,693



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**BETA SERVICES (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**5. STAFF COSTS (continued)**

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

	2014 No.	2013 No.
Sales staff	45	41
Administrative staff	29	29
Management staff	7	6
	<u>81</u>	<u>76</u>

**6. DIRECTORS' REMUNERATION**

	2014 £	2013 £
Remuneration	<u>366,194</u>	<u>2,374,014</u>
Company pension contributions to defined contribution pension schemes	<u>2,947</u>	<u>20,250</u>

During the year retirement benefits were accruing to 3 directors (2013 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £269,259 (2013 - £1,189,789).

**7. INTEREST PAYABLE**

	2014 £	2013 £
On bank loans and overdrafts	45,229	41,484
On other loans	489,306	420,783
On finance leases and hire purchase contracts	818	818
	<u>535,353</u>	<u>463,085</u>

**BETA SERVICES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**8. TAXATION**

	2014 £	2013 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	346,200	154,438
Adjustments in respect of prior periods	6,541	1,723
<b>Total current tax</b>	<u>352,741</u>	<u>156,161</u>
<b>Deferred tax</b> (see note 14)		
Origination and reversal of timing differences	-	10,008
<b>Tax on profit on ordinary activities</b>	<u>352,741</u>	<u>166,169</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2013 - *higher than*) the standard rate of corporation tax in the UK of 23% (2013 - 24%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>1,616,637</u>	<u>596,957</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	371,827	143,270
<b>Effects of:</b>		
Expenses not deductible for tax purposes	6,574	13,781
(Capital allowances for year in excess of depreciation)/ depreciation for year in excess of capital allowances	(32,201)	5,240
Adjustments to tax charge in respect of prior periods	6,541	1,723
Short term timing difference leading to a decrease in taxation	-	(6,830)
Marginal rate relief	-	(1,023)
<b>Current tax charge for the year</b> (see note above)	<u>352,741</u>	<u>156,161</u>

**Factors that may affect future tax charges**

There were no factors that may materially affect future tax charges.

**BETA SERVICES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**9. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Motor vehicles £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2013	153,991	379,182	533,173
Additions	19,375	188,362	207,737
Disposals	(14,000)	-	(14,000)
<b>At 31 March 2014</b>	<b>159,366</b>	<b>567,544</b>	<b>726,910</b>
<b>Depreciation</b>			
At 1 April 2013	30,703	236,739	267,442
Charge for the year	28,453	58,875	87,328
On disposals	(3,500)	-	(3,500)
<b>At 31 March 2014</b>	<b>55,656</b>	<b>295,614</b>	<b>351,270</b>
<b>Net book value</b>			
At 31 March 2014	103,710	271,930	375,640
<i>At 31 March 2013</i>	<i>123,288</i>	<i>142,443</i>	<i>265,731</i>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	<b>2014 £</b>	<b>2013 £</b>
Motor vehicles	<b>12,059</b>	<b>18,088</b>

**10. FIXED ASSET INVESTMENTS**

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Beta Distribution PLC	Ordinary	100%

**BETA SERVICES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**10. FIXED ASSET INVESTMENTS (continued)**

The principal activity of the subsidiary was that of supply and maintenance of office equipment.

The aggregate of the share capital and reserves as at 31 March 2014 and the profit for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Beta Distribution PLC	<u>8,991,704</u>	<u>1,263,896</u>
		Investments in subsidiary companies £
<b>Company</b>		
<b>Cost or valuation</b>		
At 1 April 2013 and 31 March 2014		<u>225,000</u>
<b>Net book value</b>		
At 31 March 2014		<u>225,000</u>
At 31 March 2013		<u>225,000</u>

**11. STOCKS**

	<u>Group</u>		<u>Company</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
Finished goods for resale	<b>13,491,229</b>	<b>14,302,062</b>	-	-

**12. DEBTORS**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	25,560,566	23,154,795	-	-
Other debtors	874,342	783,925	127,192	235,119
Prepayments and accrued income	4,731,519	3,085,580	-	-
	<u>31,166,427</u>	<u>27,024,300</u>	<u>127,192</u>	<u>235,119</u>

**BETA SERVICES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Invoice discounting	17,933,655	16,274,917	-	-
Net obligations under finance leases and hire purchase contracts	2,794	9,500	-	-
Trade creditors	16,885,036	17,341,210	-	-
Amounts owed to group undertakings	-	-	80,696	188,623
Corporation tax	345,719	150,211	-	-
Other taxation and social security	624,835	561,556	-	-
Other creditors	224,900	568,000	224,900	224,900
Accruals and deferred income	877,039	633,929	-	-
	<u>36,893,978</u>	<u>35,539,323</u>	<u>305,596</u>	<u>413,523</u>

The bank facilities are secured by a debenture dated 22 July 2008 given to the company's bankers. Security is in the form of all present and future assets of the company.

The invoice discounting facility is secured against the respective trade debtor balances against which amounts have been advanced.

The net obligations under finance leases and hire purchase contracts are secured against the assets to which it relates.

**14. DEFERRED TAXATION**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	29,870	19,862	-	-
Charge for the year (P&L)	-	10,008	-	-
At end of year	<u>29,870</u>	<u>29,870</u>	<u>-</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	<u>29,870</u>	<u>29,870</u>	<u>-</u>	<u>-</u>

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**BETA SERVICES (UK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**15. SHARE CAPITAL**

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100
33 Ordinary A shares of £1 each	33	33
	<u>133</u>	<u>133</u>

The Ordinary shares and A Ordinary shares are irredeemable and in aggregate constitutes 75% and 25% of the total voting rights of the company respectively.

Dividends, which are not guaranteed, are distributed on a pro rata basis according to the number of shares held as if both the Ordinary shares and A Ordinary shares constituted one class of share.

On a return of capital, the assets of the company remaining after payment of its liabilities shall be applied to the Ordinary shares and A Ordinary shares on a pro rata basis based on the voting rights listed above.

**16. RESERVES**

<b>Group</b>	<b>Profit and loss account £</b>
At 1 April 2013	7,523,705
Profit for the financial year	1,263,896
	<u>8,787,601</u>
At 31 March 2014	
<b>Company</b>	<b>Profit and loss account £</b>
At 1 April 2013 and 31 March 2014	46,496

# BETA SERVICES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

### 17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
<b>Group</b>		
Opening shareholders' funds	7,523,838	7,093,050
Profit for the financial year	1,263,896	430,788
Closing shareholders' funds	<u>8,787,734</u>	<u>7,523,838</u>
<b>Company</b>		
Shareholders' funds at 1 April 2013 and 31 March 2014	<u>46,629</u>	<u>46,629</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the year dealt with in the accounts of the company was £NIL (2013 - £NIL).

### 18. MINORITY INTERESTS

In prior periods, 2,560,000 E shares of £0.01 were issued by Beta Distribution Plc. The amount of £25,600 paid for these shares is repayable to the holders of these shares in the event of a winding up. Accordingly, an amount of £25,600 (2013 - £25,600) is reflected in these financial statements as a minority interest.

### 19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	2,151,990	1,060,042
Depreciation of tangible fixed assets	87,328	91,241
Loss/(profit) on disposal of tangible fixed assets	3,700	(8,584)
Decrease/(increase) in stocks	810,833	(1,383,271)
Increase in debtors	(4,142,126)	(2,826,226)
(Decrease)/increase in creditors	(492,886)	3,703,751
<b>Net cash (outflow)/inflow from operating activities</b>	<u>(1,581,161)</u>	<u>636,953</u>

**BETA SERVICES (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2014 £	2013 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(534,535)	(462,267)
Hire purchase interest	(818)	(818)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(535,353)</b>	<b>(463,085)</b>
	2014 £	2013 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(207,737)	(124,063)
Proceeds from sale of tangible fixed assets	6,800	25,000
<b>Net cash outflow from capital expenditure</b>	<b>(200,937)</b>	<b>(99,063)</b>
	2014 £	2013 £
<b>Financing</b>		
Increase in invoice discounting	1,658,738	2,150,692
Repayment of finance leases	(6,706)	(6,706)
<b>Net cash inflow from financing</b>	<b>1,652,032</b>	<b>2,143,986</b>

**21. ANALYSIS OF CHANGES IN NET DEBT**

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	1,526,538	(822,652)	-	703,886
<b>Debt:</b>				
Finance leases	(9,500)	6,706	-	(2,794)
Debts due within one year	(16,274,917)	(1,658,738)	-	(17,933,655)
<b>Net debt</b>	<b>(14,757,879)</b>	<b>(2,474,684)</b>	<b>-</b>	<b>(17,232,563)</b>



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## BETA SERVICES (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 22. PENSION COMMITMENTS

The company has operated a defined contribution scheme during the year. The assets of the scheme are held separately from those of the company in an independently administered fund. The total contributions amounted to £42,338 (2013 - £50,037). There were no prepaid or outstanding contributions at 31 March 2014 (2013 - £Nil).

#### 23. OPERATING LEASE COMMITMENTS

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014	2013
Group	£	£
Expiry date:		
Between 2 and 5 years	87,737	87,737

#### 24. DIRECTORS' BENEFITS: ADVANCES, CREDIT AND GUARANTEES

Included within other debtors is an amount outstanding from S Soper, a director, of £345,903 (2013 - £262,141). The maximum amount outstanding during the year was £366,603.

Included within other debtors is an amount outstanding from G Wilson, a director, of £187,511 (2013 - £Nil). The maximum amount outstanding during the year was £187,511.

No interest is charged on these balances and there is no set repayment date.

#### 25. RELATED PARTY TRANSACTIONS

Included within other debtors are amounts owed by the Beta Export Partnership, a related party due to common control, totalling £47,400 (2013 - £62,400).

Included within other creditors is an amount due to G Wilson, a director, of £Nil (2013 - £343,100).

The company has taken advantage of the exemption provided by Financial Reporting Standard Number 8 paragraph 3(a) from the requirement in consolidated financial statements to disclose transactions or balances between group entities that have been eliminated on consolidation.

#### 26. CONTROLLING PARTY

The ultimate controlling party is G Wilson, director, throughout the current and previous year.