
BETA SERVICES (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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BETA SERVICES (UK) LIMITED

COMPANY INFORMATION

DIRECTORS

S A Soper
G Wilson
I M 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

BETA SERVICES (UK) LIMITED

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BETA SERVICES (UK) LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

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 18% to £164.9m whilst the margin has been maintained at 9%. 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, and 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.

BETA SERVICES (UK) LIMITED

**GROUP STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2015**

FINANCIAL KEY PERFORMANCE INDICATORS

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

The group's turnover for the financial year was £164,887,622 (2014 - £139,248,014) an increase of 18%.
The group's gross profit margin was 9% (2014 - 9%).

This report was approved by the board on

29/9/2015

and signed on its behalf by:



**S A Soper
Director**

BETA SERVICES (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements for the year ended 31 March 2015.

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.

DIRECTORS

The directors who served during the year were:

S A Soper
G Wilson
I M Wilson

DONATIONS

During the year the group made charitable contributions of £1,346 (2014 - £300).

RESULTS

The profit for the year, after taxation, amounted to £1,263,311 (2014 - £1,263,896).

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.

BETA SERVICES (UK) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

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

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 (2014 - 36) days purchases outstanding in trade creditors.

This report was approved by the board on 29/9/2015 and signed on its behalf.



S A Soper
Director

BETA SERVICES (UK) LIMITED

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

We have audited the financial statements of Beta Services (UK) Limited for the year ended 31 March 2015, set out on pages 7 to 23. 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 2015 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.

BETA SERVICES (UK) LIMITED

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

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: 30 September 2015

BETA SERVICES (UK) LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	164,887,622	139,248,014
Cost of sales		<u>(150,674,434)</u>	<u>(127,132,804)</u>
GROSS PROFIT		14,213,188	12,115,210
Distribution costs		(5,266,449)	(4,152,720)
Administrative expenses		(6,749,766)	(5,810,500)
Other operating income	3	<u>7,828</u>	<u>-</u>
OPERATING PROFIT	4	2,204,801	2,151,990
Interest receivable and similar income		4	-
Interest payable and similar charges	8	<u>(586,734)</u>	<u>(535,353)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,618,071	1,616,637
Tax on profit on ordinary activities	9	<u>(354,760)</u>	<u>(352,741)</u>
PROFIT FOR THE FINANCIAL YEAR	17	<u>1,263,311</u>	<u>1,263,896</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 11 to 23 form part of these financial statements.

BETA SERVICES (UK) LIMITED
REGISTERED NUMBER: 03512997

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	2014 £
FIXED ASSETS				
Tangible assets	10		547,616	375,640
CURRENT ASSETS				
Stocks	12	17,893,404	13,491,229	
Debtors	13	36,673,189	31,166,427	
Cash at bank		2,627,460	703,886	
		<u>57,194,053</u>	<u>45,361,542</u>	
CREDITORS: amounts falling due within one year	14	<u>(49,195,394)</u>	<u>(36,893,978)</u>	
NET CURRENT ASSETS			<u>7,998,659</u>	<u>8,467,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,546,275</u>	<u>8,843,204</u>
PROVISIONS FOR LIABILITIES				
Deferred tax	15		<u>(69,630)</u>	<u>(29,870)</u>
NET ASSETS			<u><u>8,476,645</u></u>	<u><u>8,813,334</u></u>
CAPITAL AND RESERVES				
Called up share capital	16		133	133
Profit and loss account	17		<u>8,450,912</u>	<u>8,787,601</u>
SHAREHOLDERS' FUNDS	18		<u>8,451,045</u>	<u>8,787,734</u>
MINORITY INTERESTS	20		<u>25,600</u>	<u>25,600</u>
			<u><u>8,476,645</u></u>	<u><u>8,813,334</u></u>

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



29/9/2015

S A Soper
Director

The notes on pages 11 to 23 form part of these financial statements.

BETA SERVICES (UK) LIMITED
REGISTERED NUMBER: 03512997

COMPANY BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Investments	11		225,000		225,000
CURRENT ASSETS					
Debtors	13	127,193		127,193	
Cash at bank		33		33	
		<u>127,226</u>		<u>127,226</u>	
CREDITORS: amounts falling due within one year	14	<u>(305,596)</u>		<u>(305,596)</u>	
NET CURRENT LIABILITIES			<u>(178,370)</u>		<u>(178,370)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>46,630</u>		<u>46,630</u>
CAPITAL AND RESERVES					
Called up share capital	16		133		133
Profit and loss account	17		<u>46,497</u>		<u>46,497</u>
SHAREHOLDERS' FUNDS	18		<u>46,630</u>		<u>46,630</u>

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

29/9/2015



S A Soper
 Director

The notes on pages 11 to 23 form part of these financial statements.

BETA SERVICES (UK) LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	21	(3,555,354)	(1,581,161)
Returns on investments and servicing of finance	22	(586,730)	(535,353)
Taxation		(566,730)	(157,233)
Capital expenditure and financial investment	22	(264,796)	(200,937)
Equity dividends paid		(1,600,000)	-
CASH OUTFLOW BEFORE FINANCING		(6,573,610)	(2,474,684)
Financing	22	6,345,276	1,652,032
DECREASE IN CASH IN THE YEAR		(228,334)	(822,652)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MARCH 2015**

	2015 £	2014 £
Increase/(decrease) in cash in the year	(228,334)	(822,652)
Cash inflow from increase in debt and lease financing	(6,345,276)	(1,652,032)
MOVEMENT IN NET DEBT IN THE YEAR	(6,573,610)	(2,474,684)
Net debt at 1 April 2014	(17,232,563)	(14,757,879)
NET DEBT AT 31 MARCH 2015	(23,806,173)	(17,232,563)

The notes on pages 11 to 23 form part of these financial statements.

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

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 ('subsidiaries') up to 31 March 2015.

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

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.

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.

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES (continued)

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.

1.12 Invoice discounting

The company discounts its trade debts. The accounting policy is to include trade debtors within one year and the returnable element of the proceeds within current liabilities. Discounting charges and interest are charged to the profit and loss account when paid. Bad debts are borne by the company and are charged to the profit and loss account when incurred.

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

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.

A geographical analysis of turnover is as follows:

	2015 £	2014 £
United Kingdom	155,812,250	139,248,014
Rest of European Union	9,075,372	-
	<u>164,887,622</u>	<u>139,248,014</u>

3. OTHER OPERATING INCOME

	2015 £	2014 £
Insurance claims receivable	<u>7,828</u>	<u>-</u>

4. OPERATING PROFIT

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

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the group	92,820	81,299
- held under finance leases	-	6,029
Operating lease rentals:		
- other operating leases	123,719	92,470
Difference on foreign exchange	(8,369)	-
Loss on sale of tangible assets	-	3,700
	<u></u>	<u></u>

5. AUDITORS' REMUNERATION

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	17,500	20,500
Fees payable to the company's auditor and its associates in respect of:		
All other non-audit services not included above	<u>21,248</u>	<u>-</u>

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

6. STAFF COSTS

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

	2015 £	2014 £
Wages and salaries	4,348,100	3,794,216
Social security costs	539,753	475,195
Other pension costs	91,356	51,391
	<u>4,979,209</u>	<u>4,320,802</u>

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

	2015 No.	2014 No.
Sales staff	47	45
Administrative staff	39	29
Management staff	7	7
	<u>93</u>	<u>81</u>

7. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>373,046</u>	<u>366,194</u>
Company pension contributions to defined contribution pension schemes	<u>12,000</u>	<u>2,947</u>

During the year retirement benefits were accruing to 3 directors (2014 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £278,745 (2014 - £269,259).

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

8. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	58,959	45,229
On other loans	527,434	489,306
On finance leases and hire purchase contracts	341	818
	<u>586,734</u>	<u>535,353</u>

9. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	315,000	346,200
Adjustments in respect of prior periods	-	6,541
Total current tax	<u>315,000</u>	<u>352,741</u>
Deferred tax (see note 15)		
Origination and reversal of timing differences	39,760	-
Tax on profit on ordinary activities	<u>354,760</u>	<u>352,741</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>1,618,071</u>	<u>1,616,637</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	349,545	371,827
Effects of:		
Expenses not deductible for tax purposes	5,640	6,574
(Capital allowances for year in excess of depreciation)/ depreciation for year in excess of capital allowances	(40,177)	(32,201)
Adjustments to tax charge in respect of prior periods	-	6,541
Marginal rate relief	(8)	-
Current tax charge for the year (see note above)	<u>315,000</u>	<u>352,741</u>

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

9. TAXATION (continued)

Factors that may affect future tax charges

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

10. TANGIBLE FIXED ASSETS

Group	Motor vehicles £	Fixtures & fittings £	Total £
Cost			
At 1 April 2014	159,366	567,544	726,910
Additions	35,975	228,821	264,796
At 31 March 2015	195,341	796,365	991,706
Depreciation			
At 1 April 2014	55,656	295,614	351,270
Charge for the year	27,281	65,539	92,820
At 31 March 2015	82,937	361,153	444,090
Net book value			
At 31 March 2015	112,404	435,212	547,616
At 31 March 2014	103,710	271,930	375,640

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

	2015 £	2014 £
Motor vehicles	-	12,059

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

11. FIXED ASSET INVESTMENTS

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2014 and 31 March 2015	225,000
Net book value	
At 31 March 2015	225,000
<i>At 31 March 2014</i>	<i>225,000</i>

Details of the principal subsidiaries can be found under note number 29.

12. STOCKS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Finished goods for resale	17,893,404	13,491,229	-	-

13. DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	33,450,413	25,560,565	-	-
Other debtors	604,303	874,343	127,193	127,193
Prepayments and accrued income	2,618,473	4,731,519	-	-
	36,673,189	31,166,427	127,193	127,193

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

14. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	2,151,908	-	-	-
Invoice discounting	24,281,725	17,933,655	-	-
Net obligations under finance leases and hire purchase contracts	-	2,794	-	-
Trade creditors	20,006,703	16,885,036	-	-
Amounts owed to group undertakings	-	-	80,696	80,696
Corporation tax	93,989	345,719	-	-
Other taxation and social security	785,617	624,835	-	-
Other creditors	1,303,317	224,900	224,900	224,900
Accruals and deferred income	572,135	877,039	-	-
	49,195,394	36,893,978	305,596	305,596

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.

15. DEFERRED TAXATION

	<u>Group</u>		<u>Company</u>	
	2015	2014	2015	2014
	£	£	£	£
At beginning of year	29,870	29,870	-	-
Charge for the year (P&L)	39,760	-	-	-
At end of year	69,630	29,870	-	-

The provision for deferred taxation is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2015	2014	2015	2014
	£	£	£	£
Accelerated capital allowances	69,630	29,870	-	-

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

16. SHARE CAPITAL

	2015	2014
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
33 Ordinary A shares of £1 each	33	33
	<hr/> 133 <hr/>	<hr/> 133 <hr/>

The Ordinary shares and A Ordinary shares are irredeemable and in aggregate constitute 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.

17. RESERVES

	Profit and loss account £
Group	
At 1 April 2014	8,787,601
Profit for the financial year	1,263,311
Dividends: Equity capital	(1,600,000)
	<hr/> 8,450,912 <hr/>
At 31 March 2015	
Company	
At 1 April 2014	46,497
Profit for the financial year	1,600,000
Dividends: Equity capital	(1,600,000)
	<hr/> 46,497 <hr/>
At 31 March 2015	

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Group		
Opening shareholders' funds	8,787,734	7,523,838
Profit for the financial year	1,263,311	1,263,896
Dividends (Note 19)	(1,600,000)	-
	<u>8,451,045</u>	<u>8,787,734</u>
 Closing shareholders' funds	 <u><u>8,451,045</u></u>	 <u><u>8,787,734</u></u>
	2015 £	2014 £
Company		
Opening shareholders' funds	46,630	46,630
Profit for the financial year	1,600,000	-
Dividends (Note 19)	(1,600,000)	-
	<u>46,630</u>	<u>46,630</u>
 Closing shareholders' funds	 <u><u>46,630</u></u>	 <u><u>46,630</u></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 £1,600,000 (2014 - £NIL).

19. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital	1,600,000	-

S Soper had an interest in dividends of £396,993 (2013 - £Nil).

G Wilson had an interest in dividends of £1,203,007 (2013- £Nil).

20. MINORITY INTERESTS

In prior periods, 2,560,000 E shares of £0.01 were issued by the subsidiary, 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 (2014 - £25,600) is reflected in these financial statements as a minority interest.

BETA SERVICES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	2,204,801	2,151,990
Depreciation of tangible fixed assets	92,820	87,328
Loss on disposal of tangible fixed assets	-	3,700
(Increase)/decrease in stocks	(4,402,175)	810,833
Increase in debtors	(5,506,761)	(4,142,126)
Increase/(decrease) in creditors	4,055,961	(492,886)
Net cash outflow from operating activities	(3,555,354)	(1,581,161)

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	4	-
Interest paid	(586,393)	(534,535)
Hire purchase interest	(341)	(818)
Net cash outflow from returns on investments and servicing of finance	(586,730)	(535,353)

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(264,796)	(207,737)
Proceeds from sale of tangible fixed assets	-	6,800
Net cash outflow from capital expenditure	(264,796)	(200,937)

	2015 £	2014 £
Financing		
Increase in invoice discounting	-	1,658,738
Repayment of finance leases	-	(6,706)
Increase in invoice discounting	6,348,070	-
Repayment of finance leases	(2,794)	-
Net cash inflow from financing	6,345,276	1,652,032

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

23. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand	703,886	1,923,574	-	2,627,460
Bank overdraft	-	(2,151,908)	-	(2,151,908)
	<u>703,886</u>	<u>(228,334)</u>	<u>-</u>	<u>475,552</u>
Debt:				
Finance leases	(2,794)	2,794	-	-
Debts due within one year	<u>(17,933,655)</u>	<u>(6,348,070)</u>	<u>-</u>	<u>(24,281,725)</u>
Net debt	<u><u>(17,232,563)</u></u>	<u><u>(6,573,610)</u></u>	<u><u>-</u></u>	<u><u>(23,806,173)</u></u>

24. 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 £91,356 (2014 - £51,391). There were no prepaid or outstanding contributions at 31 March 2015 (2014 - £Nil).

25. OPERATING LEASE COMMITMENTS

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £	2014 £
Group		
Expiry date:		
Between 2 and 5 years	<u>147,255</u>	<u>87,737</u>

26. DIRECTORS' BENEFITS: ADVANCES, CREDIT AND GUARANTEES

Included within other debtors is an amount outstanding from S Soper, a director, of £Nil (2014 - £345,903). The maximum amount outstanding during the year was £366,942.

Included within other debtors is an amount outstanding from G Wilson, a director, of £Nil (2014 - £187,511). The maximum amount outstanding during the year was £461,113.

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

BETA SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

27. RELATED PARTY TRANSACTIONS

Included within other creditors are amounts which Beta Distribution Plc owed to Beta Export Partnership, a related party due to common control, totalling £85,664 (2014 - £47,400 owed by Beta Export Partnership).

At the year end the company owed £24,658 (2014 - £Nil) to S Soper, a director.

At the year end the company owed £967,180 (2014 - £Nil) to G Wilson, a director.

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

28. CONTROLLING PARTY

The ultimate controlling party is G Wilson, director.

29. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Beta Distribution PLC	England & Wales	100	Ordinary
Beta Distribution B.V.	Netherlands	100	Ordinary