

**REGISTERED NUMBER: 01459430 (England and Wales)**

**ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009**

**FOR**

**MANCHESTER VENDING SERVICES LIMITED**



**MANCHESTER VENDING SERVICES LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2009**

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**MANCHESTER VENDING SERVICES LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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|                           |   |
|---------------------------|---|
| <b>DIRECTORS:</b>         | J M Broderick<br>P Broderick  |
| <b>SECRETARY:</b>         | M C Broderick   |
| <b>REGISTERED OFFICE:</b> | Alpha Point<br>Bradnor Road<br>Sharston<br>Manchester<br>M22 4TE  |
| <b>REGISTERED NUMBER:</b> | 01459430 (England and Wales)  |
| <b>AUDITORS:</b>          | Gort and March<br>Statutory Auditor<br>308 London Road<br>Hazel Grove<br>Stockport<br>Cheshire<br>SK7 4RF |
| <b>BANKERS:</b>           | National Westminster Bank plc<br>437 Wilmslow Road<br>Withington<br>Manchester<br>M20 4AJ                 |
| <b>SOLICITORS:</b>        | DWF LLP<br>Centurion House<br>129 Deansgate<br>Manchester<br>M3 3AA                                       |

# **MANCHESTER VENDING SERVICES LIMITED**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009**

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The directors present their report with the accounts of the company for the year ended 31 December 2009

### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the purchase and sale of vending machine ingredients and supply of professionally operated vending services

### **REVIEW OF BUSINESS**

The company experienced a successful trading year with sales turnover in the year under review being £7,603,000 compared with £7,930,000 last year. Consistent sales turnover reflected the continued demand for the company's products and high service levels, maintaining consistent sales and market share despite pressures applied from difficult market conditions outside of its control, particularly during the first half of the year. Additional revenue streams were created during the year and have been successful within their first period of trading, strengthening the business.

The company's balance sheet shows the continued strength of the business and its financial position getting stronger.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The activities of the company expose it to a number of financial risks including commodity price risk and credit risk.

Credit risk is primarily attributed to the company's trade receivables and the balances presented with the balance sheet are shown net of provision for doubtful debts. The company identifies and manages the risk to its trade receivables through its knowledge of the industry and its clients and does not deem itself to have a high concentration of credit risk due to its exposure being carried over a wide range of customers with no single or multiple dependants.

Price risk and uncertainty and the company's exposure to commodity price movements are managed through securing of fixed term deals on significant stock purchases.

### **TRADING OUTLOOK**

The directors fully recognise the movement in the market place over the period and the challenges that this has created not only in the financial year but in the forthcoming periods also. Despite these pressures the directors consider the company, with its consistent ongoing management is well placed to face and resist any further uncertain market conditions that might prevail and to further resist a difficult period of economic downturn through its unique company strengths, contract structure, employee structure and client portfolio.

### **PRODUCT DEVELOPMENT & REVIEW**

The directors are committed to providing optional provisions for healthy choice vending, including dedication to a reduction of Hydrogenated Oils and Trans Fatty Acids.

### **DIVIDENDS**

Interim dividends per share were paid as follows

|       |                    |
|-------|--------------------|
| 0.92  | - 30 April 2009    |
| 1.95  | - 30 June 2009     |
| 1.38  | - 31 October 2009  |
| 0.89  | - 30 November 2009 |
| <hr/> |                    |
| 5.14  |                    |
| <hr/> |                    |

## **MANCHESTER VENDING SERVICES LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009**

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The directors recommend a final dividend of 4.82 per share, making a total of 9.96 per share for the year ended 31 December 2009

The total distribution of dividends for the year ended 31 December 2009 will be £155,265

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2009 to the date of this report

J M Broderick  
P Broderick

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

The company made charitable donations during the year amounting to £4,715 (2008 £2,320)

Retail Trust Great Northern £2,350  
Wheelchair appeal £1,500  
Cancer research £250  
Other £615

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**MANCHESTER VENDING SERVICES LIMITED**

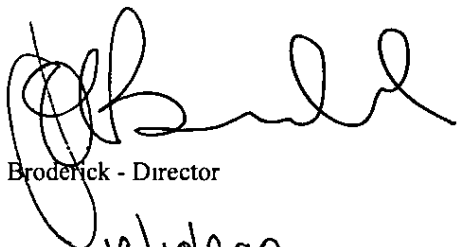
**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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**AUDITORS**

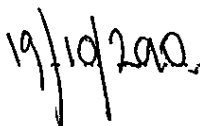
The auditors, Gort and March, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to be 'J M Broderick', written in a cursive style.

J M Broderick - Director

Date

A handwritten date '19/10/2009' in black ink, written in a cursive style.

**REPORT OF THE INDEPENDENT AUDITORS TO  
MANCHESTER VENDING SERVICES LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages six to sixteen, together with the full financial statements of Manchester Vending Services Limited for the year ended 31 December 2009 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Kenneth B March (Senior Statutory Auditor)  
for and on behalf of Gort and March  
Statutory Auditor  
308 London Road  
Hazel Grove  
Stockport  
Cheshire  
SK7 4RF

Date 22/10/2010

**MANCHESTER VENDING SERVICES LIMITED**

**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2009**

|  | Notes | 31/12/09<br>£    | £                     | 31/12/08<br>£    | £                     |
|--|-------|------------------|-----------------------|------------------|-----------------------|
| <b>TURNOVER</b>  |       |                  | 7,603,673             |                  | 7,930,659             |
| Cost of sales  |       |                  | (3,606,099)           |                  | (3,977,452)           |
|  |       |                  | <u>3,997,574</u>      |                  | <u>3,953,207</u>      |
| Distribution costs                                       |       | 82,018           |                       | 75,465           |                       |
| Administrative expenses                                  |       | <u>3,563,234</u> |                       | <u>3,504,768</u> |                       |
|  |       |                  | <u>3,645,252</u>      |                  | <u>3,580,233</u>      |
| <b>OPERATING PROFIT</b>                                  | 3     |                  | 352,322               |                  | 372,974               |
| Interest receivable and similar income                   |       |                  | 2,352                 |                  | 147                   |
|  |       |                  | <u>354,674</u>        |                  | <u>373,121</u>        |
| Interest payable and similar charges                     | 4     |                  | <u>1,478</u>          |                  | <u>-</u>              |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       |                  | 353,196               |                  | 373,121               |
| Tax on profit on ordinary activities                     | 5     |                  | <u>102,315</u>        |                  | <u>108,076</u>        |
| <b>PROFIT FOR THE FINANCIAL YEAR<br/>AFTER TAXATION</b>  |       |                  | <u><u>250,881</u></u> |                  | <u><u>265,045</u></u> |

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these abbreviated accounts

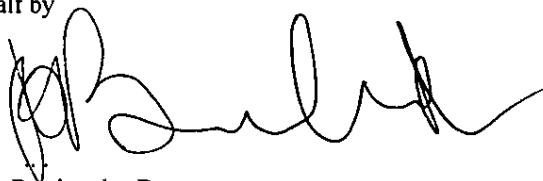
**MANCHESTER VENDING SERVICES LIMITED**

**ABBREVIATED BALANCE SHEET  
31 DECEMBER 2009**

|  | Notes | 31/12/09<br>£         | 31/12/08<br>£         |
|--|-------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>                          |       |                       |                       |
| Tangible assets                              | 7     | 764,260               | 660,343               |
| <b>CURRENT ASSETS</b>                        |       |                       |                       |
| Stocks                                       | 8     | 337,640               | 312,312               |
| Debtors                                      | 9     | 733,571               | 858,739               |
| Cash at bank and in hand                     |       | 300,684               | 500                   |
|  |       | <u>1,371,895</u>      | <u>1,171,551</u>      |
| <b>CREDITORS</b>                             |       |                       |                       |
| Amounts falling due within one year          | 10    | <u>1,282,358</u>      | <u>1,085,150</u>      |
| <b>NET CURRENT ASSETS</b>                    |       | <u>89,537</u>         | <u>86,401</u>         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>853,797</u>        | <u>746,744</u>        |
| <b>PROVISIONS FOR LIABILITIES</b>            | 14    | <u>55,385</u>         | <u>43,948</u>         |
| <b>NET ASSETS</b>                            |       | <u><u>798,412</u></u> | <u><u>702,796</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                       |                       |
| Called up share capital                      | 15    | 15,574                | 15,574                |
| Capital redemption reserve                   | 16    | 7,026                 | 7,026                 |
| Profit and loss account                      | 16    | <u>775,812</u>        | <u>680,196</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                   | 19    | <u><u>798,412</u></u> | <u><u>702,796</u></u> |

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 19/10/2010 and were signed on its behalf by



J M Broderick - Director

The notes form part of these abbreviated accounts

**MANCHESTER VENDING SERVICES LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2009**

|  | Notes | 31/12/09<br>£   | 31/12/08<br>£    |
|--|-------|-----------------|------------------|
| <b>Net cash inflow<br/>from operating activities</b>               | 1     | 858,336         | 431,850          |
| <b>Returns on investments and<br/>servicing of finance</b>         | 2     | 874             | 147              |
| <b>Taxation</b>  |       | (98,170)        | (165,926)        |
| <b>Capital expenditure</b>   | 2     | (315,818)       | (259,227)        |
| <b>Equity dividends paid</b>                                       |       | (80,265)        | (151,453)        |
| <b>Increase/(Decrease) in cash in the period</b>                   |       | <u>364,957</u>  | <u>(144,609)</u> |
| <b>Reconciliation of net cash flow<br/>to movement in net debt</b> | 3     |                 |                  |
| Increase/(Decrease) in cash in the period                          |       | <u>364,957</u>  | <u>(144,609)</u> |
| Change in net debt resulting<br>from cash flows                    |       | <u>364,957</u>  | <u>(144,609)</u> |
| <b>Movement in net debt in the period</b>                          |       | <u>364,957</u>  | <u>(144,609)</u> |
| <b>Net (debt)/funds at 1 January</b>                               |       | <u>(64,273)</u> | <u>80,336</u>    |
| <b>Net funds/(debt) at 31 December</b>                             |       | <u>300,684</u>  | <u>(64,273)</u>  |

The notes form part of these abbreviated accounts

**MANCHESTER VENDING SERVICES LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

|  | 31/12/09<br>£  | 31/12/08<br>£  |
|--|----------------|----------------|
| Operating profit                                 | 352,322        | 372,974        |
| Depreciation charges                             | 187,764        | 161,853        |
| Loss on disposal of fixed assets                 | 24,136         | -              |
| Increase in stocks                               | (25,328)       | (84,771)       |
| Decrease/(Increase) in debtors                   | 125,169        | (193,309)      |
| Increase in creditors                            | 194,273        | 175,103        |
| <b>Net cash inflow from operating activities</b> | <b>858,336</b> | <b>431,850</b> |

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

|  | 31/12/09<br>£    | 31/12/08<br>£    |
|--|------------------|------------------|
| <b>Returns on investments and servicing of finance</b>                     |                  |                  |
| Interest received  | 2,352            | 147              |
| Interest paid  | (1,478)          | -                |
| <b>Net cash inflow for returns on investments and servicing of finance</b> | <b>874</b>       | <b>147</b>       |
| <b>Capital expenditure</b>   |                  |                  |
| Purchase of tangible fixed assets  | (315,817)        | (259,227)        |
| Sale of tangible fixed assets  | (1)              | -                |
| <b>Net cash outflow for capital expenditure</b>                            | <b>(315,818)</b> | <b>(259,227)</b> |

**3 ANALYSIS OF CHANGES IN NET DEBT**

|                          | At 1 1 09<br>£  | Cash flow<br>£ | At<br>31 12 09<br>£ |
|--------------------------|-----------------|----------------|---------------------|
| Net cash                 |                 |                |                     |
| Cash at bank and in hand | 500             | 300,184        | 300,684             |
| Bank overdraft           | (64,773)        | 64,773         | -                   |
|                          | <b>(64,273)</b> | <b>364,957</b> | <b>300,684</b>      |
| <b>Total</b>             | <b>(64,273)</b> | <b>364,957</b> | <b>300,684</b>      |

The notes form part of these abbreviated accounts

# MANCHESTER VENDING SERVICES LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 1 ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

|                       |                           |
|-----------------------|---------------------------|
| Office equipment      | - 15% on reducing balance |
| Security system       | - 25% on reducing balance |
| Vending machines      | - 20% on reducing balance |
| Fixtures and fittings | - 15% on reducing balance |
| Motor vehicles        | - 25% on reducing balance |
| Computer equipment    | - 25% on reducing balance |

#### Stocks

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

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

#### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

#### Pension costs and other post-retirement benefits

The company operates a money purchase scheme Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

#### Turnover

Turnover represents net invoiced sales of machines, ingredients, snacks and cans and maintenance of machines, excluding value added tax

### 2 STAFF COSTS

|                       | 31/12/09         | 31/12/08         |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 1,975,459        | 1,961,763        |
| Social security costs | 38,694           | -                |
| Other pension costs   | 50,000           | 32,483           |
|                       | <u>2,064,153</u> | <u>1,994,246</u> |

The average monthly number of employees during the year was as follows

|                    | 31/12/09  | 31/12/08  |
|--------------------|-----------|-----------|
| Wages and salaries | <u>87</u> | <u>90</u> |

**MANCHESTER VENDING SERVICES LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2009****3 OPERATING PROFIT**

The operating profit is stated after charging

|                                  | 31/12/09 | 31/12/08 |
|----------------------------------|----------|----------|
|                                  | £        | £        |
| Hire of plant and machinery      | 49,815   | 55,572   |
| Depreciation - owned assets      | 187,764  | 161,853  |
| Loss on disposal of fixed assets | 24,136   | -        |
| Auditors' remuneration           | 4,000    | 4,000    |

|  |         |         |
|--|---------|---------|
| Directors' remuneration                                    | 317,644 | 338,106 |
| Directors' pension contributions to money purchase schemes | 50,000  | 32,483  |

The number of directors to whom retirement benefits were accruing was as follows

|                        |   |   |
|------------------------|---|---|
| Money purchase schemes | 2 | 2 |
|------------------------|---|---|

Information regarding the highest paid director is as follows

|   | 31/12/09 | 31/12/08 |
|---|----------|----------|
|   | £        | £        |
| Emoluments etc                                  | 187,171  | 169,053  |
| Pension contributions to money purchase schemes | 25,000   | 16,242   |

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

|                             | 31/12/09 | 31/12/08 |
|-----------------------------|----------|----------|
|                             | £        | £        |
| Interest on corporation tax | 1,478    | -        |

**5 TAXATION****Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

|                                      | 31/12/09 | 31/12/08 |
|--------------------------------------|----------|----------|
|                                      | £        | £        |
| Current tax                          |          |          |
| UK corporation tax                   | 90,878   | 98,213   |
| Deferred tax                         | 11,437   | 9,863    |
| Tax on profit on ordinary activities | 102,315  | 108,076  |

**MANCHESTER VENDING SERVICES LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**5 TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

|  | 31/12/09<br>£  | 31/12/08<br>£  |
|--|----------------|----------------|
| Profit on ordinary activities before tax   | <u>353,196</u> | <u>373,121</u> |
| Profit on ordinary activities<br>multiplied by the standard rate of corporation tax<br>in the UK of 23.080% (2008 - 23.480%) | 81,518         | 87,609         |
| Effects of   |                |                |
| Depreciation   | 43,336         | 38,003         |
| Expensive leased cars  | 1,487          | 3,322          |
| Entertainment  | 15,915         | 18,158         |
| Donations  | 1,019          | 545            |
| Legal  | 87             | 155            |
| Capital allowances   | (58,055)       | (49,579)       |
| Loss on disposal of assets   | 5,571          | -              |
| Current tax charge   | <u>90,878</u>  | <u>98,213</u>  |

**6 DIVIDENDS**

|                            | 31/12/09<br>£  | 31/12/08<br>£  |
|----------------------------|----------------|----------------|
| Ordinary shares of £1 each |                |                |
| Final                      | 75,000         | -              |
| Interim                    | 80,265         | 151,453        |
|                            | <u>155,265</u> | <u>151,453</u> |

**MANCHESTER VENDING SERVICES LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**7 TANGIBLE FIXED ASSETS**

|                        | Office<br>equipment<br>£ | Security<br>system<br>£ | Vending<br>machines<br>£ |
|------------------------|--------------------------|-------------------------|--------------------------|
| <b>COST</b>            |                          |                         |                          |
| At 1 January 2009      | 47,653                   | 11,256                  | 1,408,522                |
| Additions              | 428                      | -                       | 285,822                  |
| Disposals              | -                        | -                       | (28,163)                 |
| At 31 December 2009    | 48,081                   | 11,256                  | 1,666,181                |
| <b>DEPRECIATION</b>    |                          |                         |                          |
| At 1 January 2009      | 36,272                   | 5,293                   | 859,132                  |
| Charge for year        | 1,772                    | 1,491                   | 162,523                  |
| Eliminated on disposal | -                        | -                       | (5,633)                  |
| At 31 December 2009    | 38,044                   | 6,784                   | 1,016,022                |
| <b>NET BOOK VALUE</b>  |                          |                         |                          |
| At 31 December 2009    | 10,037                   | 4,472                   | 650,159                  |
| At 31 December 2008    | 11,381                   | 5,963                   | 549,390                  |

|                        | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Computer<br>equipment<br>£ | Totals<br>£ |
|------------------------|----------------------------------|------------------------|----------------------------|-------------|
| <b>COST</b>            |                                  |                        |                            |             |
| At 1 January 2009      | 136,892                          | 27,390                 | 111,458                    | 1,743,171   |
| Additions              | 16,965                           | -                      | 12,602                     | 315,817     |
| Disposals              | -                                | (21,390)               | -                          | (49,553)    |
| At 31 December 2009    | 153,857                          | 6,000                  | 124,060                    | 2,009,435   |
| <b>DEPRECIATION</b>    |                                  |                        |                            |             |
| At 1 January 2009      | 69,720                           | 23,253                 | 89,159                     | 1,082,829   |
| Charge for year        | 12,620                           | 633                    | 8,725                      | 187,764     |
| Eliminated on disposal | -                                | (19,785)               | -                          | (25,418)    |
| At 31 December 2009    | 82,340                           | 4,101                  | 97,884                     | 1,245,175   |
| <b>NET BOOK VALUE</b>  |                                  |                        |                            |             |
| At 31 December 2009    | 71,517                           | 1,899                  | 26,176                     | 764,260     |
| At 31 December 2008    | 67,172                           | 4,137                  | 22,299                     | 660,342     |

**MANCHESTER VENDING SERVICES LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**8 STOCKS**

|                     | 31/12/09       | 31/12/08       |
|---------------------|----------------|----------------|
|                     | £              | £              |
| Stock - ingredients | 102,704        | 109,321        |
| Stock - snacks      | 62,514         | 63,578         |
| Stock - machines    | 112,931        | 100,152        |
| Stock - cans        | 43,991         | 28,261         |
| Parts stock         | 15,500         | 11,000         |
|                     | <u>337,640</u> | <u>312,312</u> |

**9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | 31/12/09       | 31/12/08       |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Trade debtors                  | 361,151        | 569,002        |
| Other debtors                  | 197,001        | 164,354        |
| Employee loans                 | 1,710          | -              |
| Prepayments and accrued income | 80,985         | 32,659         |
| Chappell Finance Limited       | 92,724         | 92,724         |
|                                | <u>733,571</u> | <u>858,739</u> |

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   | 31/12/09         | 31/12/08         |
|---|------------------|------------------|
|   | £                | £                |
| Bank loans and overdrafts (see note 11) | -                | 64,773           |
| Trade creditors                         | 768,660          | 641,051          |
| Tax                                     | 90,878           | 98,170           |
| Social security and other taxes         | 128,532          | 59,526           |
| VAT                                     | 131,255          | 145,605          |
| Proposed dividends                      | 75,000           | -                |
| Other creditors                         | 498              | -                |
| Net wages control account               | -                | 15,728           |
| Accrued expenses                        | 87,535           | 60,297           |
|   | <u>1,282,358</u> | <u>1,085,150</u> |

**11 LOANS**

An analysis of the maturity of loans is given below

|  | 31/12/09 | 31/12/08      |
|--|----------|---------------|
|  | £        | £             |
| Amounts falling due within one year or on demand |          |               |
| Bank overdrafts                                  | -        | 64,773        |
|  | <u>-</u> | <u>64,773</u> |

**MANCHESTER VENDING SERVICES LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**12 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

|                            | Land and<br>buildings |                | Other<br>operating<br>leases |                |
|----------------------------|-----------------------|----------------|------------------------------|----------------|
|                            | 31/12/09<br>£         | 31/12/08<br>£  | 31/12/09<br>£                | 31/12/08<br>£  |
| Expiring                   |                       |                |                              |                |
| Within one year            | -                     | -              | 223,308                      | 20,621         |
| Between one and five years | 118,994               | 118,994        | 66,877                       | 142,849        |
|                            | <u>118,994</u>        | <u>118,994</u> | <u>290,185</u>               | <u>163,470</u> |

**13 SECURED DEBTS**

The following secured debts are included within creditors

|                | 31/12/09<br>£ | 31/12/08<br>£ |
|----------------|---------------|---------------|
| Bank overdraft | -             | 64,773        |

The bank holds as security an Unscheduled Mortgage Debenture by Manchester Vending Services Limited incorporating a fixed and floating charge over the current and future assets of the company dated 9th June 1989

The bank also holds an Unlimited Intercompany guarantee pledged by Manchester Vending Services and Brodericks Love Coffee LLP dated 4th December 2008

**14 PROVISIONS FOR LIABILITIES**

|                             | 31/12/09<br>£ | 31/12/08<br>£        |
|-----------------------------|---------------|----------------------|
| Deferred tax                | <u>55,385</u> | <u>43,948</u>        |
|                             |               | Deferred<br>tax<br>£ |
| Balance at 1 January 2009   |               | 43,948               |
| Charge for year             |               | <u>11,437</u>        |
| Balance at 31 December 2009 |               | <u>55,385</u>        |

**MANCHESTER VENDING SERVICES LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**15 CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid<br>Number | Class    | Nominal<br>value<br>£1 | 31/12/09<br>£ | 31/12/08<br>£ |
|---|----------|------------------------|---------------|---------------|
| 15,574                                    | Ordinary |                        | <u>15,574</u> | <u>15,574</u> |

**16 RESERVES**

|                     | Profit<br>and loss<br>account<br>£ | Capital<br>redemption<br>reserve<br>£ | Totals<br>£    |
|---------------------|------------------------------------|---------------------------------------|----------------|
| At 1 January 2009   | 680,196                            | 7,026                                 | 687,222        |
| Profit for the year | 250,881                            |                                       | 250,881        |
| Dividends           | (155,265)                          |                                       | (155,265)      |
| At 31 December 2009 | <u>775,812</u>                     | <u>7,026</u>                          | <u>782,838</u> |

**17 RELATED PARTY DISCLOSURES**

Included in rent is an amount of £118,994 paid to Brodnods LLP, a partnership that includes the directors Mr JM and Mr P Broderick

At 31 December 2009, included in other debtors is an amount of £194,001 (2008 £106,936), which is due from Broderick's Love Coffee LLP, a partnership that includes the directors Mr JM Broderick and Mr P Broderick. Interest is paid by Brodericks Loves Coffee LLP to Manchester Vending Services Limited on a quarterly basis and is calculated on the amount owed at 2% above base rate. Interest of £2,352 was paid in the year.

Dividends paid to the directors during the year totalled £57,074 and proposed totalled £53,330

**18 ULTIMATE CONTROLLING PARTY**

The company is controlled by JM Broderick, P Broderick and B Broderick by virtue of their aggregate 100% holding of the issued ordinary share capital.

**19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|  | 31/12/09<br>£         | 31/12/08<br>£         |
|--|-----------------------|-----------------------|
| Profit for the financial year              | 250,881               | 265,045               |
| Dividends                                  | (155,265)             | (151,453)             |
| <b>Net addition to shareholders' funds</b> | <u>95,616</u>         | <u>113,592</u>        |
| Opening shareholders' funds                | <u>702,796</u>        | <u>589,204</u>        |
| <b>Closing shareholders' funds</b>         | <u><u>798,412</u></u> | <u><u>702,796</u></u> |