COMPANY REGISTRATION NUMBER 3045607

Complete Office Solutions UK Limited

Abbreviated Accounts

31st December 2007



JOLLIFFE CORK LLP
Chartered Accountants & Registered Auditors
33 George Street
Wakefield
WF1 1LX

Complete Office Solutions UK Limited

Abbreviated Accounts

Year Ended 31st December 2007

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Complete Office Solutions UK Limited

Officers and Professional Advisers

The Board of Directors	Mr R Coulson Mr A M Hunt Miss S M Bennett
Company Secretary	Mr R Coulson
Registered Office	Daughters Court Silkwood Park Wakefield West Yorkshire WF5 9TQ
Auditor	Jolliffe Cork LLP Chartered Accountants & Registered Auditors 33 George Street Wakefield WF1 1LX
Bankers	National Westminster Bank plc 56 Westgate Wakefield WF1 1XF

Complete Office Solutions UK Limited

The Directors' Report

Year Ended 31st December 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2007

Principal Activities and Business Review
The principal activity of the company during the period was that of distributors of commercial stationery and office supplies

Turnover reduced by 5% compared to the previous year however, this was entirely due to the reduction in order values within our computer hardware division Turnover from the core business grew slightly and more efficient buying ensured increased profitability at the gross and net level

The Directors look forward to another profitable year

Results and Dividends
The profit for the year, after taxation, amounted to £121,959 Particulars of dividends paid are detailed in note 7 to the financial statements

Financial Risk Management Objectives and Policies
The directors have considered the financial risk management objectives and policies appropriate to the company and such information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company

The Directors and their Interests in the Shares of the Company
The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

	Class of share	At 31 December 2007	At 1 January 2007
Mr R Coulson	Ordinary	-	-
Mr A M Hunt	Ordinary	-	-
Miss S M Bennett	Ordinary	225	225
	Preferred Ordinary	-	-

Directors' Responsibilities
The directors are responsible for preparing the Annual 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) The financial statements are required by law to 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 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 proper accounting records that 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 1985 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

In so far as the directors are aware

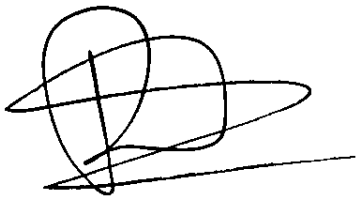
there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor
A resolution to re-appoint Jolliffe Cork LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Registered office
Daughters Court
Silkwood Park
Wakefield
West Yorkshire
WF5 9TQ

Signed by order of the directors



Mr R Coulson
Company Secretary

Approved by the directors on 24th July 2008

Complete Office Solutions UK Limited

Independent Auditor's Report to Complete Office Solutions UK Limited

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 5 to 18, together with the financial statements of Complete Office Solutions UK Limited for the year ended 31st December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985 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 auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed

Respective Responsibilities of the Directors and the Auditor
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985 It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you

Basis of Opinion
We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision



JOLLIFFE CORK LLP
Chartered Accountants
& Registered Auditors

33 George Street
Wakefield
WF1 1LX

24th July 2008

Complete Office Solutions UK Limited

Abbreviated Profit and Loss Account

Year Ended 31st December 2007

	Note	2007 £	2006 £
Gross Profit		**2,374,645**	2,445,620
Distribution Costs		**188,271**	174,582
Administrative expenses		**1,902,558**	1,903,878
Operating Profit	2	**283,816**	367,160
Interest payable and similar charges	5	**132,585**	146,874
Profit on Ordinary Activities Before Taxation		**151,231**	220,286
Tax on profit on ordinary activities	6	**29,272**	47,742
Profit for the Financial Year		**121,959**	172,544

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 10 to 18 form part of these abbreviated accounts

Complete Office Solutions UK Limited

Abbreviated Balance Sheet

31st December 2007

	Note	2007 £	2007 £	2006 £	2006 £
Fixed Assets					
Intangible assets	8		–		–
Tangible assets	9		**382,137**		166,532
Investments	10		**250**		250
			382,387		166,782
Current Assets					
Stocks	11	**220,427**		165,287	
Debtors	12	**3,160,321**		2,857,584	
Cash in hand		**352**		538	
		3,381,100		3,023,409	
Creditors: Amounts Falling due Within One Year	13	**3,176,548**		2,719,771	
Net Current Assets			**204,552**		303,638
Total Assets Less Current Liabilities			**586,939**		470,420
Creditors: Amounts Falling due after More than One Year	14		**182,167**		162,167
			404,772		308,253
Provisions for Liabilities					
Deferred taxation	16		**32,369**		14,842
			372,403		293,411
Capital and Reserves					
Called-up equity share capital	18		**10,000**		10,000
Share premium account	19		**263,144**		263,144
Profit and loss account	20		**99,259**		20,267
Shareholders' Funds	21		**372,403**		293,411

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on the 24th July 2008 and are signed on their behalf by

Mr R Coulson

Mr A M Hunt

The notes on pages 10 to 18 form part of these abbreviated accounts

Complete Office Solutions UK Limited

Cash Flow Statement

Year Ended 31st December 2007

	2007		2006	
	£	£	£	£
Net Cash Inflow from Operating Activities		**549,211**		321,256
Returns on Investments and Servicing of Finance				
Interest paid	**(120,745)**		(132,737)	
Interest element of hire purchase	**(11,840)**		(14,137)	
Net Cash Outflow from Returns on Investments and Servicing of Finance		**(132,585)**		(146,874)
Taxation		**(50,734)**		(25,555)
Capital Expenditure				
Payments to acquire tangible fixed assets	**(285,686)**		(55,217)	
Receipts from sale of fixed assets	**13,090**		43,862	
Net Cash Outflow from Capital Expenditure		**(272,596)**		(11,355)
Equity Dividends Paid		**(42,967)**		(168,000)
Cash Inflow/(Outflow) Before Financing		**50,329**		(30,528)
Financing				
Increase in/(repayment of) bank loans	**188,047**		(57,278)	
Capital element of hire purchase	**(41,725)**		(37,160)	
Net Cash Inflow/(Outflow) from Financing		**146,322**		(94,438)
Increase/(Decrease) in Cash		**196,651**		(124,966)

The notes on pages 10 to 18 form part of these abbreviated accounts.

Complete Office Solutions UK Limited

Cash Flow Statement *(continued)*

Year Ended 31st December 2007

Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	2007	2006
	£	£
Operating profit	**283,816**	367,160
Amortisation	**–**	996
Depreciation	**38,247**	55,152
Loss on disposal of fixed assets	**18,744**	11,230
(Increase)/decrease in stocks	**(55,140)**	48,585
(Increase)/decrease in debtors	**(302,737)**	260,149
Increase/(decrease) in creditors	**566,281**	(422,016)
Net cash inflow from operating activities	**549,211**	321,256

Reconciliation of Net Cash Flow to Movement in Net Debt

	2007		2006	
	£	£	£	£
Increase/(decrease) in cash in the period	**196,651**		(124,966)	
Net cash (inflow) from/outflow from bank loans	**(188,047)**		57,278	
Cash outflow in respect of hire purchase	**41,725**		37,160	
		50,329		(30,528)
Change in net debt		**50,329**		(30,528)
Net debt at 1 January 2007		**(513,650)**		(483,122)
Net debt at 31 December 2007		**(463,321)**		(513,650)

The notes on pages 10 to 18 form part of these abbreviated accounts.

Complete Office Solutions UK Limited

Cash Flow Statement *(continued)*

Year Ended 31st December 2007

Analysis of Changes in Net Debt

	At 1 Jan 2007 £	Cash flows £	At 31 Dec 2007 £
Net cash			
Cash in hand and at bank	538	(186)	352
Overdrafts	(241,140)	196,837	(44,303)
	(240,602)	196,651	(43,951)
Debt			
Debt due within 1 year	(70,943)	(134,056)	(204,999)
Debt due after 1 year	(110,650)	(53,991)	(164,641)
Hire purchase agreements	(91,455)	41,725	(49,730)
	(273,048)	(146,322)	(419,370)
Net debt	(513,650)	50,329	(463,321)

The notes on pages 10 to 18 form part of these abbreviated accounts.

Complete Office Solutions UK Limited

Notes to the Abbreviated Accounts

Year Ended 31st December 2007

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Goodwill - 5 years

Fixed Assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures, plant and equipment	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	33 1/3% reducing balance
Leasehold improvements	-	over the terms of the lease

Stocks

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

Hire Purchase Agreements

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

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

1. Accounting Policies *(continued)*

Pension Costs

The company operates a defined contribution pension scheme for employees The assets of the scheme are held separately from those of the company The annual contributions payable are charged to the profit and loss account

Deferred Taxation

Following the introduction of FRS 19, the company has revised its accounting policy for deferred tax Standard accounting practice now requires the recognition of deferred tax arising from timing differences and the creation of a provision for deferred tax liabilities Under previous practice no provision was required where deferred tax liabilities were not expected to crystallise

2. Operating Profit

Operating profit is stated after charging

	2007	2006
	£	£
Amortisation	–	996
Depreciation of owned fixed assets	**17,811**	28,704
Depreciation of assets held under hire purchase agreements	**20,436**	26,448
Loss on disposal of fixed assets	**18,744**	11,230
Auditor's remuneration - as auditor	**6,025**	3,795

3. Particulars of Employees

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

	2007	2006
	No	No
Number of administrative staff	**64**	66

The aggregate payroll costs of the above were

	2007	2006
	£	£
Wages and salaries	**1,142,717**	1,151,379
Social security costs	**100,892**	101,028
Other pension costs	**7,919**	7,756
	1,251,528	1,260,163

4. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were

	2007 £	2006 £
Emoluments receivable	99,250	92,000
Value of company pension contributions to money purchase schemes	7,919	7,756
	107,169	99,756

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

	2007 No	2006 No
Money purchase schemes	2	2

5. Interest Payable and Similar Charges

	2007 £	2006 £
Interest payable on bank borrowing	6,635	5,676
Finance charges	11,840	14,137
Other similar charges payable	114,110	127,061
	132,585	146,874

6. Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2007 £	2006 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 19 75% (2006 - 19%)	11,745	51,234
Total current tax	11,745	51,234
Deferred tax		
Origination and reversal of timing differences (note 16)		
Capital allowances	17,527	(3,492)
Tax on profit on ordinary activities	29,272	47,742

6. Taxation on Ordinary Activities *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19 75% (2006 - 19%)

	2007 £	2006 £
Profit on ordinary activities before taxation	**151,231**	220,286
Profit/(loss) on ordinary activities by rate of tax	**29,868**	41,854
Expenses not deductible for tax purposes	**9,458**	17,708
Capital allowances	**(27,350)**	(8,190)
Charges on income	**(231)**	(138)
Total current tax (note 6(a))	**11,745**	51,234

7. Dividends

Equity dividends

	2007 £	2006 £
Paid		
Equity dividends on ordinary shares	**42,967**	168,000

8. Intangible Fixed Assets

	Goodwill £
Cost	
At 1st January 2007 and 31st December 2007	**5,000**
Amortisation	
At 1st January 2007 and 31st December 2007	**(5,000)**
Net Book Value	
At 31st December 2007	**–**
At 31st December 2006	–

9. Tangible Fixed Assets

	Leasehold Improvements £	Fixtures, Plant & Equipment £	Motor Vehicles £	Computer Equipment £	Total £
Cost					
At 1 January 2007	–	86,514	138,177	158,373	383,064
Additions	283,453	629	–	1,604	285,686
Disposals	–	(28,009)	(42,229)	–	(70,238)
At 31 December 2007	**283,453**	**59,134**	**95,948**	**159,977**	**598,512**
Depreciation					
At 1 January 2007	–	42,015	50,429	124,088	216,532
Charge for the year	–	6,674	19,042	12,531	38,247
On disposals	–	(13,442)	(24,962)	–	(38,404)
At 31 December 2007	**–**	**35,247**	**44,509**	**136,619**	**216,375**
Net Book Value					
At 31 December 2007	**283,453**	**23,887**	**51,439**	**23,358**	**382,137**
At 31 December 2006	–	44,499	87,748	34,285	166,532

Hire purchase agreements

Included within the net book value of £382,137 is £66,690 (2006 - £96,662) relating to assets held under hire purchase agreements The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £20,436 (2006 - £26,448)

10. Investments

	Other Investments £
Cost	
At 1st January 2007 and 31st December 2007	**9,427**
Amounts Written Off	
At 1st January 2007 and 31st December 2007	**9,177**
Net Book Value	
At 31st December 2007	**250**
At 31st December 2006	250

11. Stocks

	2007	2006
	£	£
Stock	**220,427**	165,287

12. Debtors

	2007	2006
	£	£
Trade debtors	**1,768,563**	1,466,833
Amounts owed by group undertakings	**770,638**	1,011,220
Other debtors	**40,428**	2,673
S419 tax recoverable	**96,171**	62,921
Directors current accounts	**384,682**	251,682
Prepayments and accrued income	**99,839**	62,255
	3,160,321	2,857,584

The debtors above include the following amounts falling due after more than one year

	2007	2006
	£	£
Amounts owed by group undertakings	**770,638**	1,011,220

The maximum indebtedness to the company on the directors' current accounts during year were £192,750 relating to Mr R Coulson and £191,932 relating to Mr A M Hunt

13. Creditors: Amounts Falling due Within One Year

	2007		2006	
	£	£	£	£
Sales ledger financing		**1,559,353**		1,118,759
Bank loans and overdrafts		**249,302**		312,083
Trade creditors		**1,154,572**		779,501
Amounts owed to group undertakings		–		251,430
Other creditors including taxation and social security				
Corporation tax	**11,745**		50,734	
PAYE and social security	**32,385**		31,085	
VAT	**73,837**		95,245	
Hire purchase agreements	**32,204**		39,938	
Other creditors	**33,250**		–	
Directors current accounts	**2,158**		1,191	
		185,579		218,193
Accruals and deferred income		**27,742**		39,805
		3,176,548		2,719,771

13. Creditors: Amounts Falling due Within One Year *(continued)*

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

	2007	2006
	£	£
Bank loans and overdrafts	**249,302**	110,650
Sales ledger financing	**1,559,353**	1,118,759
	1,808,655	1,229,409

14. Creditors: Amounts Falling due after More than One Year

	2007	2006
	£	£
Bank loans and overdrafts	**164,641**	110,650
Other creditors		
Hire purchase agreements	**17,526**	51,517
	182,167	162,167

15. Commitments under Hire Purchase Agreements

Future commitments under hire purchase agreements are as follows

	2007	2006
	£	£
Amounts payable within 1 year	**32,204**	39,938
Amounts payable between 1 and 2 years	**17,526**	51,517
	49,730	91,455

16. Deferred Taxation

The movement in the deferred taxation provision during the year was

	2007	2006
	£	£
Provision brought forward	**14,842**	18,334
Profit and loss account movement arising during the year	**17,527**	(3,492)
Provision carried forward	**32,369**	14,842

16. Deferred Taxation *(continued)*

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007 £	2006 £
Excess of taxation allowances over depreciation on fixed assets	**32,369**	14,842
	32,369	14,842

17. Commitments under Operating Leases

At 31st December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	2007		2006	
	Land & Buildings £	**Other Items £**	Land & Buildings £	Other Items £
Operating leases which expire				
Within 1 year	-	**13,638**	-	34,667
Within 2 to 5 years	-	**85,109**	25,500	50,953
After more than 5 years	**105,000**	-	42,500	-
	105,000	**98,747**	68,000	85,620

18. Share Capital

Authorised share capital:

	2007 £	2006 £
7,000 Ordinary shares of £1 each	**7,000**	7,000
3,000 Preferred Ordinary shares of £1 each	**3,000**	3,000
	10,000	10,000

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	**7,000**	**7,000**	7,000	7,000
Preferred Ordinary shares of £1 each	**3,000**	**3,000**	3,000	3,000
	10,000	**10,000**	10,000	10,000

19. Share Premium Account

There was no movement on the share premium account during the financial year

20. Profit and Loss Account

	2007	2006
	£	£
Balance brought forward	**20,267**	15,723
Profit for the financial year	**121,959**	172,544
Equity dividends paid	**(42,967)**	(168,000)
Balance carried forward	**99,259**	20,267

21. Reconciliation of Movements in Shareholders' Funds

	2007	2006
	£	£
Profit for the financial year	**121,959**	172,544
Equity dividends paid	**(42,967)**	(168,000)
Net addition to shareholders' funds	**78,992**	4,544
Opening shareholders' funds	**293,411**	288,867
Closing shareholders' funds	**372,403**	293,411

22. Ultimate Parent Company

The ultimate parent company is Eagle Office Supplies Limited (formerly Eagle Office Smart Limited), a company registered in England