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**A4 Distribution Limited**  
**Abbreviated Accounts**  
**for the year ended 31st July 2002**

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**Auditors' Report to A4 Distribution Limited**  
**Under Section 247B of the Companies Act 1985**

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We have examined the abbreviated financial statements set out on pages 2 to 4 together with the financial statements of A4 Distribution Limited for the year ended 31st July 2002 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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**

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.

*Blueprint Audit Limited*

**Blueprint Audit Limited**  
**Registered Auditor**  
**Sumner House**  
**St Thomas's Road**  
**Chorley**  
**Lancashire**  
**PR7 1HP**  
**Date: 21st March 2003**

**A4 Distribution Limited**  
**Abbreviated Balance Sheet**  
**as at 31st July 2002**

|                                                                | Notes | £           | 2002<br>£ | £         | 2001<br>£ |
|----------------------------------------------------------------|-------|-------------|-----------|-----------|-----------|
| <b>Fixed assets</b>                                            |       |             |           |           |           |
| Tangible fixed assets                                          | 2     |             | 138,417   |           | 88,366    |
| <b>Current assets</b>                                          |       |             |           |           |           |
| Stock                                                          |       | 328,481     |           | 66,306    |           |
| Debtors                                                        |       | 2,644,495   |           | 848,181   |           |
| Cash at bank and in hand                                       |       | 2,938       |           | 2,251     |           |
|                                                                |       |             |           |           |           |
|                                                                |       | 2,975,914   |           | 916,738   |           |
| <b>Creditors: amounts falling due within one year</b>          | 3     | (2,428,649) |           | (577,947) |           |
| <b>Net current assets</b>                                      |       |             | 547,265   |           | 338,791   |
| <b>Total assets less current liabilities</b>                   |       |             | 685,682   |           | 427,157   |
| <b>Creditors: amounts falling due after more than one year</b> |       |             | (47,855)  |           | -         |
| <b>Provisions for liabilities and charges</b>                  |       |             |           |           |           |
| Deferred taxation                                              |       |             | (16,846)  |           | -         |
|                                                                |       |             | 620,981   |           | 427,157   |
| <b>Capital and reserves</b>                                    |       |             |           |           |           |
| Share capital                                                  | 5     |             | 100       |           | 100       |
| Share premium account                                          |       |             | 3,733     |           | 3,733     |
| Profit and loss account                                        |       |             | 617,148   |           | 423,324   |
| <b>Shareholders' funds</b>                                     |       |             | 620,981   |           | 427,157   |

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These abbreviated accounts were approved by the board on 21st March 2003 and signed on its behalf.

A Green X  
D Robinson X  
Directors



# **A4 Distribution Limited**

## **Notes to the Abbreviated Accounts**

**for the year ended 31st July 2002**

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### **I Accounting policies**

#### **Accounting convention**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

#### **Turnover**

Turnover represents the invoiced amount of goods sold, excluding value added tax.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The principal annual rates used under the straight line method are:

|                        |        |
|------------------------|--------|
| Motor vehicles         | 25%    |
| Computer and equipment | 20-33% |
| Fixtures and fittings  | 20-33% |

#### **Leasing and hire purchase**

Certain tangible fixed assets are held under finance leases and hire purchase agreements. These assets are included in the balance sheet and are depreciated accordingly. The capital element of the corresponding financing commitments is included in the balance sheet. The finance element of repayments is charged to the profit and loss account in proportion to the reducing capital element outstanding.

All other leases held are operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

#### **Deferred taxation**

Deferred taxation is calculated under the liability method at the appropriate rate of tax in respect of all timing differences between profits as computed for tax purposes and profits as stated in the financial statements.

The company has adopted FRS 19 'Deferred Taxation', which requires full provision for all timing differences. Adoption of FRS 19 has not had a material effect on the results of the current or previous year, nor has it had a material effect on the balance sheets at the year end or the previous year end.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange gains and losses are included in the profit on ordinary activities.

#### **Pension costs**

Pension costs are recognised on a systematic basis over the period that the company benefits from the services of the employees who are members of the pension scheme.

**A4 Distribution Limited**  
**Notes to the Abbreviated Accounts**  
**for the year ended 31st July 2002**

**2 Fixed assets**

|                          | <b>Tangible<br/>fixed<br/>assets<br/>£</b> |
|--------------------------|--------------------------------------------|
| <b>Cost</b>              |                                            |
| At 1st August 2001       | 218,329                                    |
| Additions                | 89,239                                     |
| Disposals                | (44,747)                                   |
| <b>At 31st July 2002</b> | <b>262,821</b>                             |
| <b>Depreciation</b>      |                                            |
| At 1st August 2001       | 129,963                                    |
| Charge for the year      | 39,188                                     |
| On disposals             | (44,747)                                   |
| <b>At 31st July 2002</b> | <b>124,404</b>                             |
| <b>Net book value</b>    |                                            |
| <b>At 31st July 2002</b> | <b>138,417</b>                             |
| <i>At 31st July 2001</i> | <i>88,366</i>                              |

**3 Secured creditors**

The bank holds a bond and floating charge over the assets and undertakings of the company together with a letter of guarantee for £160,000 from Allan Green, a director, supported by charges over his own property. An insurance policy on the life of Allan Green for £150,000 has been assigned to the bank.

**4 Obligations under hire purchase contracts**

Obligations under hire purchase contracts are analysed between amounts payable:

In the next year

In the second to fifth years inclusive

| <b>2002</b>   | <b>2001</b> |
|---------------|-------------|
| <b>£</b>      | <b>£</b>    |
| 25,767        | -           |
| 47,855        | -           |
| <b>73,622</b> | <b>-</b>    |

Obligations under hire purchase contracts are secured on the assets concerned.

**5 Share capital**

**Authorised**

**Equity shares**

1,000 Ordinary shares of £1 each

**Allotted**

**Equity shares**

100 Allotted, called up and fully paid ordinary shares of £1 each

| <b>2002</b> | <b>2001</b> |
|-------------|-------------|
| <b>£</b>    | <b>£</b>    |
| 1,000       | 1,000       |
| <b>100</b>  | <b>100</b>  |