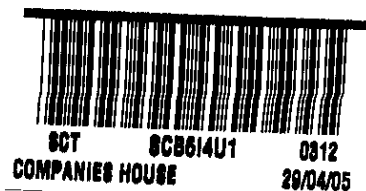


A4 DISTRIBUTION LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 30 JUNE 2004

Company Registration Number 143413

Tenon Limited
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP



A4 DISTRIBUTION LIMITED

ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

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A4 DISTRIBUTION LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
PERIOD ENDED 30 JUNE 2004

The board of directors	A Green D Robinson
Company secretary	A Green
Registered office	5 Logie Mill Beaver Bank Office Park Logie Green Road Edinburgh EH7 4HH
Auditors	Tenon Audit Limited Sumner House St Thomas's Road Chorley Lancashire PR7 1HP
Accountants	Tenon Limited Sumner House St Thomas's Road Chorley Lancashire PR7 1HP

A4 DISTRIBUTION LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

The directors present their report and the financial statements of the company for the period from 1 August 2003 to 30 June 2004.

Principal activities and business review

The principal activity of the company during the period continued to be the wholesale of sports equipment.

The directors plan to continue with the management policies which have led to the satisfactory result achieved in the year.

Results and dividends

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements.

The directors have not recommended a dividend.

The directors and their interests in the shares of the company

The directors who served the company during the period together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2004	At 1 August 2003
A Green	80	80
D Robinson	<u>20</u>	<u>20</u>

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the period and of the profit or loss for the period then ended. In preparing those 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

A4 DISTRIBUTION LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

Auditors

On 28 February 2005 our auditors, Blueprint Audit Limited, changed their name to Tenon Audit Limited and have signed the audit report in their new name.

Tenon Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

Signed by order of the directors



A Green
Company Secretary

Approved by the directors on 26/4/05

A4 DISTRIBUTION LIMITED
INDEPENDENT AUDITORS' REPORT TO THE COMPANY
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 14, together with the financial statements of the company for the period from 1 August 2003 to 30 June 2004 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 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 audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

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 accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of opinion

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. 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 accounts prepared in accordance with Section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 14 are properly prepared in accordance with those provisions.

Tenon Audit Limited

Tenon Audit Limited
Registered Auditor

Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

Date: 28/4-05

A4 DISTRIBUTION LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

	Note	Period to 30 Jun 04 £	Year to 31 Jul 03 £
Gross profit		1,947,891	2,535,301
Distribution costs		(771,695)	(779,766)
Administrative expenses		(1,017,045)	(1,407,343)
Operating profit	2	159,151	348,192
Interest receivable		42	1,045
Interest payable and similar charges	5	(54,951)	(76,623)
Profit on ordinary activities before taxation		104,242	272,614
Tax on profit on ordinary activities	6	(11,073)	(65,245)
Retained profit for the financial period		<u>93,169</u>	<u>207,369</u>

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 period as set out above.

The notes on pages 7 to 14 form part of these abbreviated accounts.

A4 DISTRIBUTION LIMITED
ABBREVIATED BALANCE SHEET
30 JUNE 2004

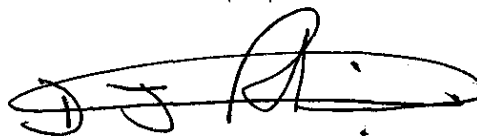
	Note	30 Jun 04 £	£	31 Jul 03 £	£
Fixed assets					
Tangible assets	8		188,678		163,905
Current assets					
Stocks	9	205,788		1,866,706	
Debtors	10	2,169,231		1,310,100	
Cash in hand		996		706	
		2,376,015		3,177,512	
Creditors: Amounts falling due within one year	11	(1,630,568)		(2,469,864)	
Net current assets			745,447		707,648
Total assets less current liabilities			934,125		871,553
Creditors: Amounts falling due after more than one year	12		—		(20,483)
			934,125		851,070
Provisions for liabilities and charges					
Deferred taxation	14		(12,606)		(22,720)
			921,519		828,350
Capital and reserves					
Called-up share capital	17		100		100
Share premium account			3,733		3,733
Profit and loss account	18		917,686		824,517
Shareholders' funds	19		921,519		828,350

These abbreviated accounts 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 26/4/05 and are signed on their behalf by:



A Green



D Robinson

The notes on pages 7 to 14 form part of these abbreviated accounts.

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

1. Accounting policies

Basis of accounting

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

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

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.

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

1. Accounting policies *(continued)*

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.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. Operating profit

Operating profit is stated after charging/(crediting):

	Period to 30 Jun 04	Year to 31 Jul 03
	£	£
Depreciation of owned fixed assets	64,297	37,476
Depreciation of assets held under hire purchase agreements	24,482	26,707
Profit on disposal of fixed assets	(1,219)	—
Auditors' remuneration	7,650	5,205
Operating lease property	<u>67,050</u>	<u>49,840</u>

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

3. Particulars of employees

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

	Period to 30 Jun 04	Year to 31 Jul 03
	No	No
Management and administration	9	9
Selling and distribution	13	10
	<u>22</u>	<u>19</u>

The aggregate payroll costs of the above were:

	Period to 30 Jun 04	Year to 31 Jul 03
	£	£
Wages and salaries	555,897	1,101,604
Social security costs	59,958	54,972
Other pension costs	145,679	148,913
	<u>761,534</u>	<u>1,305,489</u>

The company has made payments totalling £145,679 (2003: £148,913) to a defined contribution pension scheme, the assets of which are held in an independently administered fund. The pension cost charge represents the total contributions payable to the fund.

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	Period to 30 Jun 04	Year to 31 Jul 03
	£	£
Emoluments receivable	138,485	930,272
Value of company pension contributions to money purchase schemes	135,250	140,000
	<u>273,735</u>	<u>1,070,272</u>

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

	Period to 30 Jun 04	Year to 31 Jul 03
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

The trustees of the Employee Benefit Trusts resolved at their discretion that £nil (2003: £565,275) should be used for the benefit of the directors and this amount has been included in the aggregate emoluments stated above.

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

5. Interest payable and similar charges

	Period to 30 Jun 04 £	Year to 31 Jul 03 £
Interest payable on bank borrowing	52,971	73,258
Finance charges	1,980	3,365
	<u>54,951</u>	<u>76,623</u>

6. Taxation on ordinary activities

(a) Analysis of charge in the period

	Period to 30 Jun 04 £	Year to 31 Jul 03 £
In respect of the period:		
UK Corporation tax	21,187	56,274
Over/under provision in prior year	—	3,097
	<u>21,187</u>	<u>59,371</u>

Deferred tax:

Origination and reversal of timing differences	(10,114)	5,874
Tax on profit on ordinary activities	<u>11,073</u>	<u>65,245</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 19% (2003 - 19%).

	Period to 30 Jun 04 £	Year to 31 Jul 03 £
Profit on ordinary activities before taxation	<u>104,242</u>	<u>272,614</u>
Profit on ordinary activities by rate of tax	19,806	51,797
Effects of:		
Expenses not deductible for tax purposes	1,962	2,320
Capital allowances for the year in excess of depreciation	(581)	2,157
Adjustments to the tax charge in respect of prior years	—	3,097
Total current tax (note 6(a))	<u>21,187</u>	<u>59,371</u>

7. Fixed asset investment

The company owns 49% of the share capital of SARL F4 Distribution a company incorporated in France. Its loss for the period was £46,263 (2003: £20,698 profit) and its aggregate capital and reserves were (£26,989) (2003: £27,893).

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

8. Tangible fixed assets

	Fixtures & Fittings £	Motor Vehicles £	Computer and equipment £	Total £
Cost				
At 1 August 2003	95,429	34,745	172,331	302,505
Additions	22,721	16,445	80,166	119,332
Disposals	—	(34,745)	(15,839)	(50,584)
At 30 June 2004	<u>118,150</u>	<u>16,445</u>	<u>236,658</u>	<u>371,253</u>
Depreciation				
At 1 August 2003	31,015	22,439	85,146	138,600
Charge for the period	26,991	7,211	54,577	88,779
On disposals	—	(28,965)	(15,839)	(44,804)
At 30 June 2004	<u>58,006</u>	<u>685</u>	<u>123,884</u>	<u>182,575</u>
Net book value				
At 30 June 2004	<u>60,144</u>	<u>15,760</u>	<u>112,774</u>	<u>188,678</u>
At 31 July 2003	<u>64,414</u>	<u>12,306</u>	<u>87,185</u>	<u>163,905</u>

Hire purchase agreements

Included within the net book value of £188,678 is £28,940 (2003 - £53,422) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the period in respect of such assets amounted to £24,482 (2003 - £26,707).

9. Stocks

	30 Jun 04 £	31 Jul 03 £
Goods for resale	<u>205,788</u>	<u>1,866,706</u>

10. Debtors

	30 Jun 04 £	31 Jul 03 £
Trade debtors	1,135,232	876,705
Amounts owed by related undertaking	84,021	75,683
Prepayments and accrued income	949,978	357,712
	<u>2,169,231</u>	<u>1,310,100</u>

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

11. Creditors: Amounts falling due within one year

	30 Jun 04	31 Jul 03
	£	£
Bank loans and overdrafts	586,805	723,652
Trade creditors	147,619	211,775
Corporation tax	21,187	56,274
Other taxation and social security	133,579	127,668
Hire purchase agreements	22,731	26,972
Directors current accounts	609,472	559,158
Accruals and deferred income	109,175	764,365
	<u>1,630,568</u>	<u>2,469,864</u>

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 A Green, a director, supported by charges over his own property. The bank also holds a letter of guarantee for £800,000 from A Green and D Robinson, who are both directors of the company. An insurance policy on the life of A Green for £150,000 has been assigned to the bank.

12. Creditors: Amounts falling due after more than one year

	30 Jun 04	31 Jul 03
	£	£
Hire purchase agreements	—	<u>20,483</u>

13. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows:

	30 Jun 04	31 Jul 03
	£	£
Amounts payable within 1 year	22,731	26,972
Amounts payable between 2 to 5 years	—	<u>20,483</u>
	<u>22,731</u>	<u>47,455</u>

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

14. Deferred taxation

The movement in the deferred taxation provision during the period was:

	Period to 30 Jun 04	Year to 31 Jul 03
	£	£
At 1 August 2003	22,720	16,846
Profit and loss account movement arising during the period	(10,114)	<u>5,874</u>
At 30 June 2004	<u>12,606</u>	<u>22,720</u>

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

14. Deferred taxation *(continued)*

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

	30 Jun 04 £	31 Jul 03 £
Excess of taxation allowances over depreciation on fixed assets	12,606	22,720
	<u>12,606</u>	<u>22,720</u>

15. Operating leases commitments

At 30 June 2004 the company had annual commitments under non-cancellable operating leases as set out below.

	30 Jun 04 £	31 Jul 03 £
		<i>Land & buildings</i>
Operating leases which expire:		
Within 2 to 5 years	73,145	—
After more than 5 years	—	73,145
	<u>73,145</u>	<u>73,145</u>

16. Related party transactions

During the year the company received a loan from Mr D Robinson, a director and shareholder of the company, for £2,103 (2003: £113,055). No repayment terms have been set on this loan and it is interest free. As at the balance sheet date the amount owed to Mr D Robinson was £135,151 (2003: £133,048).

During the year the company received a loan from Mr A Green, a director and shareholder of the company, for £48,211 (2003: £426,110). No repayment terms have been set on this loan and it is interest free. As at the balance sheet date the amount owed to Mr A Green was £474,321 (2003: £426,110).

During the year the company made payments of £33,333 (2003: £37,207) on behalf of F4 Sarl, a company in which A4 Distribution Limited has a 49% shareholding. As at the year end the amount due from F4 Sarl was £84,021 (2003: £75,683).

17. Share capital

Authorised share capital:

	30 Jun 04 £	31 Jul 03 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	30 Jun 04 No	£	31 Jul 03 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

A4 DISTRIBUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 AUGUST 2003 TO 30 JUNE 2004

18. Profit and loss account

	Period to 30 Jun 04 £	Year to 31 Jul 03 £
Balance brought forward	824,517	617,148
Retained profit for the financial period	93,169	207,369
Balance carried forward	<u>917,686</u>	<u>824,517</u>

19. Reconciliation of movements in shareholders' funds

	30 Jun 04 £	31 Jul 03 £
Profit for the financial period	93,169	207,369
Opening shareholders' equity funds	828,350	620,981
Closing shareholders' equity funds	<u>921,519</u>	<u>828,350</u>