

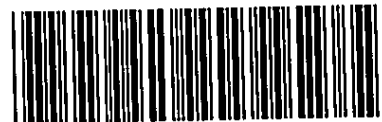
Registration number 04601274

# eXPD8 Limited

Directors' report and financial statements

for the period from 27 March 2011 to 24  
March 2012

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## **eXPD8 Limited**

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## **eXPD8 Limited**

### **Directors' report for the period from 27 March 2011 to 24 March 2012**

The directors present their report and the financial statements for the period from 27 March 2011 to 24 March 2012

#### **Directors of the company**

The directors who held office during the period were as follows

Mr P Bailey

Mr M Thurgood

#### **Principal activity**

The principal activity of the company is the provision of merchandising, compliance audits and supply chain management services to the retail sector

#### **Business review**

##### ***Fair review of the business***

The company had a satisfactory year with headline turnover increasing by 8% to £8,810,112. Eliminating overseas sales and the transfer of trade from eXPD8 (UK) Limited, the underlying growth in UK sales was 7%. The pre-tax profit achieved of £225,203 (2.6%) was after suffering a significant bad debt amounting to £119,724 and would otherwise have been a small improvement (+0.4%) over the previous year (3.5%). The net worth of the company at the end of the period was £444,885, with borrowing almost unchanged at £210,659.

##### ***Principal risks and uncertainties***

The principal risk and uncertainty to the business is the relative size of certain key contracts. This risk is managed by working closely with clients, maintaining high standards and continuously improving services and services levels.

#### **Financial instruments**

##### ***Objectives and policies***

The company is exposed to price risk, credit risk, liquidity risk and cash flow risk. The directors review risk management strategies regularly.

## **eXPD8 Limited**

### **Directors' report for the period from 27 March 2011 to 24 March 2012**

*..... continued*

#### ***Price risk, credit risk, liquidity risk and cash flow risk***

##### **Price**

The company is exposed to price risk as a result of its operations. However, sale prices are agreed by management before any work is undertaken and management also have a good knowledge of how long jobs take which means they are able to control the main cost of the company.

##### **Credit**

The company is exposed to credit risk and management ensure credit checks are completed or references received on all new customers and chase debts as soon as they are overdue.

##### **Liquidity**

The company's exposure to liquidity risk is minimal and the group has adequate net current assets and no short term borrowings.

##### **Cashflow**

The company is exposed to cash flow risk as a result of the timing between paying staff wages and the receipt of monies from customers. However the risk is managed by the financial support of the company's main customer who provide an invoice discounting facility.

#### **Employment of disabled persons**

eXPD8 is committed to employment policies that provide and promote equal employment and advancement opportunities and to providing an environment that ensures tolerance and respect for all employees. eXPD8's policy is that no employee will be treated less favourably, victimised or harassed on the grounds of their disability, gender, marital or civil partnership status, race, nationality, colour, ethnicity, religion, sexual orientation, age, or any other class protected by applicable law.

#### **Employee involvement**

eXPD8 recognises the importance in terms of engaging employees for both enhancing the performance of the business, and in achieving and maintaining the highest standards in the workplace. For this reason, the company values highly the Investor in People (IIP) accreditation achieved in the period ended 28 March 2009. The IIP standard provides a framework that helps organisations to improve their overall performance and achieve their objectives through the effective management and development of their people. In order to achieve the standard, the company is measured against its business strategy, its stated core values, continued investment in people, processes and technology and finally commitment to deliver its promise.

#### **Future developments**

It is anticipated that the company will continue to grow during the period to 30 March 2013 with an increase in turnover of circa 15%. The company continues to invest both in people and in the development of systems and systems infrastructure, thereby improving efficiency, enhancing existing services and bringing innovative mobile workforce solutions to the market.

**eXPD8 Limited**

**Directors' report for the period from 27 March 2011 to 24 March 2012**

*..... continued*

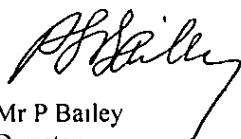
**Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

**Reappointment of auditors**

The auditors Milsted Langdon LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the board on 6 Dec '12 and signed on its behalf by



Mr P Bailey  
Director

**eXPD8 Limited**  
**Statement of directors' responsibilities**

The directors are responsible for preparing 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 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 apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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.

## **Independent auditors' report to the members of eXPD8 Limited**

We have audited the financial statements of eXPD8 Limited for the period from 27 March 2011 to 24 March 2012, set out on pages 7 to 20. 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 Statement of directors' responsibilities (set out on page 4), 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 (APB'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 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 Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 24 March 2012 and of its profit for the period 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 Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**Independent auditors' report to the members of  
eXPD8 Limited**

*..... continued*

**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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

*Milsted Langdon LLP*

Mrs S R Jenkins (Senior Statutory Auditor)  
For and on behalf of  
Milsted Langdon LLP  
Chartered Accountants and Statutory Auditors  
Bristol

Date *13/12/12* .

**eXPD8 Limited**

**Profit and loss account for the period from 27 March 2011 to 24 March 2012**

	Note	27 March 2011 to 24 March 2012 £	28 March 2010 to 26 March 2011 £
Turnover	2	8,810,112	8,170,300
Cost of sales		<u>(5,721,189)</u>	<u>(5,383,765)</u>
Gross profit		3,088,923	2,786,535
Administrative expenses		<u>(2,857,907)</u>	<u>(2,481,971)</u>
Operating profit	3	231,016	304,564
Other interest receivable and similar income	6	-	331
Interest payable and similar charges	7	<u>(5,813)</u>	<u>(15,877)</u>
Profit on ordinary activities before taxation		225,203	289,018
Tax on profit on ordinary activities	8	<u>(57,490)</u>	<u>(81,641)</u>
Profit for the financial period	16	<u><u>167,713</u></u>	<u><u>207,377</u></u>

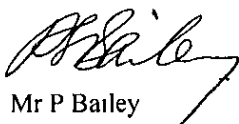
Turnover and operating profit derive wholly from continuing operations


The company has no recognised gains or losses for the period other than the results above

**eXPD8 Limited**  
**(Registration number: 04601274)**  
**Balance sheet at 24 March 2012**

	Note	24 March 2012 £	26 March 2011 £
<b>Fixed assets</b>			
Tangible fixed assets	9	<u>213,792</u>	<u>218,272</u>
<b>Current assets</b>			
Debtors	10	2,103,586	2,041,202
Cash at bank and in hand		<u>411,346</u>	<u>392,831</u>
		2,514,932	2,434,033
Creditors amounts falling due within one year	11	<u>(2,055,949)</u>	<u>(2,053,326)</u>
Net current assets		<u>458,983</u>	<u>380,707</u>
Total assets less current liabilities		672,775	598,979
Creditors amounts falling due after more than one year	12	(210,659)	(206,540)
Provisions for liabilities	13	<u>(17,231)</u>	<u>(15,267)</u>
Net assets		<u>444,885</u>	<u>377,172</u>
<b>Capital and reserves</b>			
Called up share capital	14	1,000	1,000
Profit and loss account	16	<u>443,885</u>	<u>376,172</u>
Shareholders' funds	17	<u>444,885</u>	<u>377,172</u>

Approved by the board on *6 Dec '12* and signed on its behalf by

  
Mr P Bailey  
Director

  
Mr M Thurgood  
Director

## **eXPD8 Limited**

### **Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

#### **1 Accounting policies**

##### **Basis of preparation**

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

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group

##### **Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

##### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

<b>Asset class</b>	<b>Depreciation rate and method</b>
Office equipment	straight line over 2 to 5 years
Motor vehicles	straight line over 3 years

##### **Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

##### **Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

##### **Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

## eXPD8 Limited

### Notes to the financial statements for the period from 27 March 2011 to 24 March 2012

..... continued

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

#### Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

## 2 Turnover

During the period 1.05% of the company's turnover related to exports (2011 - 8.73%)

An analysis of turnover by geographical location is given below

	27 March 2011 to 24 March 2012 £	28 March 2010 to 26 March 2011 £
Sales - UK	8,718,023	7,406,756
Sales - Europe	92,089	708,544
	<u>8,810,112</u>	<u>8,115,300</u>
Other sales income	-	55,000
Turnover	<u>8,810,112</u>	<u>8,170,300</u>

## 3 Operating profit

Operating profit is stated after charging

	27 March 2011 to 24 March 2012 £	28 March 2010 to 26 March 2011 £
Operating leases	7,456	18,119
Auditor's remuneration	11,000	16,500
Foreign currency losses/(gains)	1,339	(10,394)
Loss on sale of tangible fixed assets	509	157
Depreciation of owned assets	<u>124,242</u>	<u>82,268</u>

## eXPD8 Limited

### Notes to the financial statements for the period from 27 March 2011 to 24 March 2012

..... *continued*

#### 4 Particulars of employees

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows

	<b>27 March 2011 to 24 March 2012 No.</b>	<b>28 March 2010 to 26 March 2011 No</b>
Employees	<u>1,001</u>	<u>786</u>

The aggregate payroll costs were as follows

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
Wages and salaries	6,387,137	5,317,136
Social security costs	293,908	346,946
Staff pensions	<u>30,002</u>	<u>30,042</u>
	<u>6,711,047</u>	<u>5,694,124</u>

**eXPD8 Limited**

**Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

..... *continued*

**5 Directors' remuneration**

The directors' remuneration for the period was as follows

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
Remuneration	201,152	196,888
Company contributions paid to money purchase schemes	<u>27,200</u>	<u>27,200</u>

During the period the number of directors who were receiving benefits and share incentives was as follows

	<b>27 March 2011 to 24 March 2012 No</b>	<b>28 March 2010 to 26 March 2011 No</b>
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

In respect of the highest paid director

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
Remuneration	109,135	103,482
Company contributions to money purchase pension schemes	<u>13,600</u>	<u>13,600</u>

**6 Other interest receivable and similar income**

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
Bank interest receivable	<u>-</u>	<u>331</u>

**eXPD8 Limited**

**Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**  
**..... continued**

**7 Interest payable and similar charges**

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
Interest on bank borrowings	1,694	8,929
Interest on loans from group undertakings	4,119	6,948
	<u>5,813</u>	<u>15,877</u>

# **eXPD8 Limited**

## **Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

**..... continued**

### **8 Taxation**

#### **Tax on profit on ordinary activities**

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
<b>Current tax</b>		
Corporation tax charge	55,525	73,041
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,965	8,600
<b>Total tax on profit on ordinary activities</b>	<b>57,490</b>	<b>81,641</b>

#### **Factors affecting current tax charge for the period**

Tax on profit on ordinary activities for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 26% (2011 - 28%)

The differences are reconciled below

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
Profit on ordinary activities before taxation	225,203	289,018
Corporation tax at standard rate	58,553	80,925
Capital allowances for period in excess of depreciation	(1,441)	(12,485)
Expenses not deductible for tax purposes	2,405	4,601
Reduction to effective rate	(3,992)	-
<b>Total current tax</b>	<b>55,525</b>	<b>73,041</b>

**eXPD8 Limited**

**Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

..... *continued*

**9 Tangible fixed assets**

	Office equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 27 March 2011	444,838	30,669	475,507
Additions	120,702	-	120,702
Disposals	(3,475)	-	(3,475)
At 24 March 2012	<u>562,065</u>	<u>30,669</u>	<u>592,734</u>
<b>Depreciation</b>			
At 27 March 2011	257,235	-	257,235
Charge for the period	96,573	27,669	124,242
Eliminated on disposals	(2,535)	-	(2,535)
At 24 March 2012	<u>351,273</u>	<u>27,669</u>	<u>378,942</u>
<b>Net book value</b>			
At 24 March 2012	<u>210,792</u>	<u>3,000</u>	<u>213,792</u>
At 26 March 2011	<u>187,603</u>	<u>30,669</u>	<u>218,272</u>

**10 Debtors**

	24 March 2012 £	26 March 2011 £
Trade debtors	2,011,172	1,734,334
Amounts owed by group undertakings	-	201,913
Other debtors	14,640	51,940
Prepayments and accrued income	77,774	53,015
	<u>2,103,586</u>	<u>2,041,202</u>

**eXPD8 Limited**

**Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

..... *continued*

**11 Creditors: amounts falling due within one year**

	<b>24 March 2012 £</b>	<b>26 March 2011 £</b>
Trade creditors	194,039	203,570
Amounts owed to group undertakings	170,940	154,178
Corporation tax	55,525	73,040
Other taxes and social security	705,618	661,941
Other creditors	427,560	438,985
Accruals and deferred income	502,267	521,612
	<u>2,055,949</u>	<u>2,053,326</u>

**12 Creditors amounts falling due after more than one year**

	<b>24 March 2012 £</b>	<b>26 March 2011 £</b>
Other loans	<u>210,659</u>	<u>206,540</u>

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given by the company

	<b>24 March 2012 £</b>	<b>26 March 2011 £</b>
Other loan	<u>210,659</u>	<u>206,540</u>

The other loan is a secured working capital loan upon all present and future assets, upon which interest at 1.5% over the base lending rate of Barclays Bank plc is accrued and rolled up into the loan but is not compounded

**eXPD8 Limited**

**Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

..... *continued*

**13 Provisions for liabilities**

	<b>Deferred tax £</b>	<b>Total £</b>
At 27 March 2011	15,265	15,265
Charged to the profit and loss account	<u>1,966</u>	<u>1,966</u>
At 24 March 2012	<u><u>17,231</u></u>	<u><u>17,231</u></u>

**Analysis of deferred tax**

	<b>24 March 2012 £</b>	<b>26 March 2011 £</b>
Difference between accumulated depreciation and amortisation and capital allowances	<u>17,231</u>	<u>15,267</u>
	<u><u>17,231</u></u>	<u><u>15,267</u></u>

**14 Share capital**

**Allotted, called up and fully paid shares**

	<b>No.</b>	<b>24 March 2012 £</b>	<b>No.</b>	<b>26 March 2011 £</b>
Ordinary A shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

**15 Dividends**

	<b>24 March 2012 £</b>	<b>26 March 2011 £</b>
<b>Dividends paid</b>		
Current period dividend paid	<u>100,000</u>	<u>-</u>

# **eXPD8 Limited**

## **Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

**..... continued**

### **16 Reserves**

	<b>Profit and loss account £</b>	<b>Total £</b>
At 27 March 2011	376,172	376,172
Profit for the period	167,713	167,713
Dividends	<u>(100,000)</u>	<u>(100,000)</u>
At 24 March 2012	<u>443,885</u>	<u>443,885</u>

### **17 Reconciliation of movement in shareholders' funds**

	<b>27 March 2011 to 24 March 2012 £</b>	<b>28 March 2010 to 26 March 2011 £</b>
Profit attributable to the members of the company	167,713	207,377
Dividends	<u>(100,000)</u>	<u>-</u>
Net addition to shareholders' funds	67,713	207,377
Shareholders' funds at start of period	<u>377,172</u>	<u>169,795</u>
Shareholders' funds at end of period	<u>444,885</u>	<u>377,172</u>

## **eXPD8 Limited**

### **Notes to the financial statements for the period from 27 March 2011 to 24 March 2012**

*..... continued*

#### **18 Pension schemes**

##### **Defined contributions pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £30,002 (2011 - £30,042).

Contributions totalling £401 (2011 - £415) were payable to the schemes at the end of the period and are included in creditors.

#### **19 Commitments**

##### **Operating lease commitments**

As at 24 March 2012 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire

	<b>24 March 2012 £</b>	<b>26 March 2011 £</b>
<b>Other</b>		
Within one year	<u>-</u>	<u>8,187</u>

## eXPD8 Limited

### Notes to the financial statements for the period from 27 March 2011 to 24 March 2012

..... continued

#### 20 Related party transactions

##### Directors' advances and credits

	27 March 2011 to 24 March 2012 Advance/ Credit £	27 March 2011 to 24 March 2012 Repaid £	28 March 2010 to 26 March 2011 Advance/ Credit £	28 March 2010 to 26 March 2011 Repaid £
<b>Mr P Bailey</b>				
During the year	12,000	5,500	-	-

##### Other related party transactions

During the period the company entered into the following related party transactions

##### **Parragon Books Limited**

(A company with a 25 1% interest through their shareholding of the holding company)

During the period the company charged sales at normal market prices to the value of £83,410 (2011 £71,167) to Parragon Books Limited. At the balance sheet date the amount due from Parragon Books Limited was £10,667 (2011 - £3,672)

##### **Parragon Books Limited**

(A company with a 25 1% interest through their shareholding of the holding company)

During the period Parragon Books Limited provided the company with a loan, upon which interest is charged at 1 5% above the Barclays base rate. At the balance sheet date the amount due to Parragon Books Limited was £210,659 (2011 - £206,540)

##### **Mr P Bailey**

(Director)

During the year Mr P Bailey had a loan with the company, upon which interest is charged. At the balance sheet date the amount due from/(to) Mr P Bailey was £6,500 (2011 - £nil)

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

#### 21 Control

The company is controlled by IZIT Group Limited, the ultimate parent undertaking, and the only company to prepare group financial statements which may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ

The ultimate controlling party is Mr P Bailey and Mr M Thurgood acting in concert