

HOBS REPROGRAPHICS LIMITED
REGISTERED NUMBER: 00511368
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 1999



HOBBS REPROGRAPHICS LIMITED

REPORT AND ABBREVIATED FINANCIAL STATEMENTS YEAR ENDED 30 APRIL 1999

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HOBBS REPROGRAPHICS LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS:

Joseph Dominick Hackett
Kieran John O'Brien
Joseph Benedict Hackett

**SECRETARY AND
REGISTERED OFFICE:**

Joseph Benedict Hackett
St. Andrews Building
18a Slater Street
Liverpool
L1 4BS

REGISTERED NUMBER:

00511368

AUDITORS:

Horwath Bastow Charleton
Chartered Accountants and
Registered Auditors
Marine House
Clanwilliam Court
Dublin 2
Ireland

HOBS REPROGRAPHICS LIMITED

REPORT OF THE DIRECTORS

The directors submit their report together with the abbreviated financial statements for the year ended 30 April 1999.

DIRECTORS RESPONSIBILITIES

The directors are required to prepare financial statements on a going concern basis which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the year. In preparing the financial statements, the directors are required to select suitable accounting policies and then apply them consistently and to make judgements and estimates that are reasonable and prudent.

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 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.

BUSINESS REVIEW AND FUTURE ACTIVITIES

The principal activity of the company is the retailing of drawing office supplies and services.

On the 8 May 1998, the group expanded its operations in the reprographic market by acquiring the reprographic outlets of a competitor, OCE (UK) Limited. The group acquired all of the trading assets of the OCE reprographic operations as a going concern and intends to use the acquisition to improve market share and the groups exposure to new and existing markets.

During the year the group restructured its activities and the business of Hobs (Drawing Office Services) Limited, a group company, was transferred to Hobs Reprographics Limited. The combined businesses will continue to trade under the name Hobs Reprographics Limited.

The directors are pleased with the company's performance during the year. Plans for the year ended 30 April 2000 are for further expansion of the company and the improvement of the company's trading performance and profitability.

RESULTS, DIVIDENDS AND RETENTIONS

	1999 £	1998 £
The results and appropriations are summarised as follows:-		
Profit for year, after taxation	181,538	93,304
Balance at beginning of year	940,971	847,667
Balance at end of year	<u>1,122,509</u>	<u>940,971</u>

The directors do not recommend the declaration of a dividend.

HOBS REPROGRAPHICS LIMITED

REPORT OF THE DIRECTORS CONTINUED

STATE OF AFFAIRS AND EVENTS SINCE THE BALANCE SHEET DATE

In the opinion of the directors, the state of the company's affairs is satisfactory and there has been no material change since the balance sheet date.

GROUP STRUCTURE

The company is a wholly owned subsidiary of Hobs (Drawing Office Services) Limited, a company incorporated in England.

The directors consider Vesontio Limited, a company incorporated in the Republic of Ireland, to be the ultimate holding company.

DIRECTORS

The present membership of the board is set out on page 2. These persons were the only directors of the company during the year.

The beneficial interests, including family interests, of the directors and secretary in office at 30 April 1999 in the share capital of the group at the balance sheet dates were:

Ordinary shares of IR£1 each:	1999	1998
Joseph Dominick Hackett	250	250
Kieran John O'Brien	360	360
Joseph Benedict Hackett	240	240
	<u> </u>	<u> </u>
"B" Ordinary shares of IR£1 each:		
Joseph Benedict Hackett	1	1
	<u> </u>	<u> </u>
"C" Ordinary shares of IR£1 each:		
Joseph Dominick Hackett	1	1
	<u> </u>	<u> </u>
"D" Ordinary shares of IR£1 each:		
Kieran John O'Brien	1	1
	<u> </u>	<u> </u>

In accordance with the Articles of Association, Joseph Benedict Hackett retires by rotation and, being eligible, offers himself for re-election.

HOBS REPROGRAPHICS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

AUDITORS

In accordance with Section 385 of the Companies Act 1985, Horwath Bastow Charleton, having expressed their willingness to do so, will continue in office.

A motion authorising the directors to fix their remuneration will be put to the annual general meeting.

TANGIBLE FIXED ASSETS

Movements in tangible fixed assets are disclosed in note 7 to the financial statements.

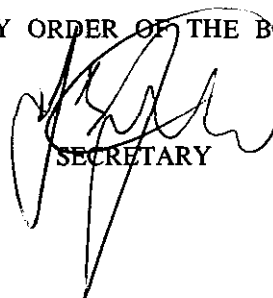
YEAR 2000 COMPLIANCE AND EURO INTRODUCTION

The company is currently reviewing plans to ensure a smooth transition for the introduction of the Euro and the impact arising from the year 2000 issue. Whilst the review is currently in progress, at present the directors do not consider the cost will be significant for the company.

DATED THIS

22 - 2 - 2000

BY ORDER OF THE BOARD


SECRETARY

HOBS REPROGRAPHICS LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF HOBS REPROGRAPHICS LIMITED ON THE ABBREVIATED FINANCIAL STATEMENTS

We have examined the abbreviated financial statements on pages 7 to 19 together with the full financial statements of Hobs Reprographics Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 April 1999.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

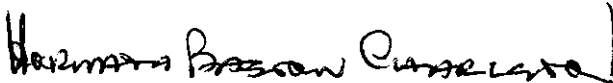
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A(3) of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the registrar of companies and whether the abbreviated financial statements have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to discharge our responsibilities set out above. 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 full financial statements.

OPINION ON THE ABBREVIATED FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985 and the abbreviated financial statements on pages 7 to 19 have been properly prepared in accordance with those provisions.



Chartered Accountants and Registered Auditors
Marine House
Clanwilliam Court
Dublin 2
Ireland

Date: 22-2-2000

HOBS REPROGRAPHICS LIMITED

STATEMENT OF ACCOUNTING POLICIES

The following accounting policies are applied consistently in dealing with items which are considered material in relation to the company's financial statements.

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention.

TURNOVER

Turnover represents the invoiced amount of goods and services sold, net of trade discounts and value added tax.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, so as to write off the cost less estimated residual value, of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Leasehold improvements	20%
Plant and machinery	20-50%
Fixtures and fittings	20-25%
Motor vehicles	25%

GOODWILL

Goodwill comprises the excess of the price paid for the acquisition of reprographic outlets over the aggregate of the fair values of the identifiable assets. Goodwill is amortised through the profit and loss account on a straight line basis over its expected useful life as follows:

Goodwill	20%
----------	-----

STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost includes all expenditure which has been incurred in the normal course of business in bringing the products to their present location and condition.

Net realisable value is the actual or estimated selling price net of trade discounts, less all further cost to completion and all costs to be incurred in realising the selling price.

DEFERRED TAXATION

Deferred taxation is provided on timing differences to the extent that it is expected to become payable in the foreseeable future.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements.

HOBS REPROGRAPHICS LIMITED

STATEMENT OF ACCOUNTING POLICIES CONTINUED

FOREIGN CURRENCIES

Unless specifically covered by forward exchange contracts, whereupon the contract rate is used, monetary assets and liabilities are translated into Sterling at the exchange rate ruling at the balance sheet date. Revenues, costs and non-monetary assets are translated at the exchange rates ruling at the dates of the transactions.

All foreign exchange profits or losses are dealt with through the profit and loss account.

PENSIONS

The company's parent undertaking operates a defined benefit scheme and the expected cost of providing pensions to employees is charged to the profit and loss account as incurred over the period of employment of pensionable employees. The cost is calculated, with the benefit of advice from independent actuaries, at what is expected to be a reasonably stable proportion of pensionable pay.

LEASED ASSETS

Tangible fixed assets held by the company under financial leases are recorded in the balance sheet as an asset. Obligations to pay future rentals under such leases are consequently recorded in the balance sheet as a liability. The amount recorded at inception, both as an asset and a liability, is the total minimum lease payments, net of interest. The interest element of the rental obligations is charged to the profit and loss account so as to produce a constant periodic rate of charge. Rentals in respect of operating leases are charged to profit and loss account as incurred.

HOBBS REPROGRAPHICS LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 1999**

	Note	1999 £	1998 £
GROSS PROFIT		4,955,004	2,475,901
SELLING AND ADMINISTRATIVE COSTS		(4,652,316)	(2,229,737)
OPERATING PROFIT			
Continuing operations		543,849	246,164
Acquisitions		(241,161)	-
	3	<u>302,688</u>	<u>246,164</u>
BANK INTEREST RECEIVABLE		9,602	3,197
INTEREST PAYABLE AND SIMILAR CHARGES	5	<u>(28,005)</u>	<u>(17,657)</u>
PROFIT BEFORE TAXATION FROM ORDINARY ACTIVITIES		284,285	231,704
TAXATION	6	<u>(102,747)</u>	<u>(138,400)</u>
PROFIT AFTER TAXATION FROM ORDINARY ACTIVITIES		181,538	93,304
RETAINED PROFIT AT BEGINNING OF YEAR		<u>940,971</u>	<u>847,667</u>
RETAINED PROFIT AT END OF YEAR		<u><u>1,122,509</u></u>	<u><u>940,971</u></u>

The company has no recognised gains or losses for the years ended 30 April 1999 and 1998 other than the profit for the year which has been calculated on the historical cost basis. This is the only movement in shareholders' funds.

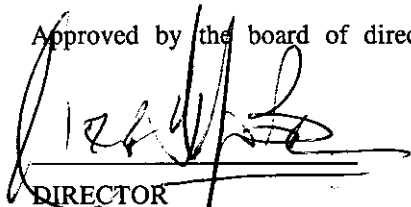
HOBS REPROGRAPHICS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30 APRIL 1999

	Note	1999 £	1998 £
FIXED ASSETS			
Tangible assets	1	1,677,132	777,289
Intangible assets	2	341,595	-
		<u>2,018,727</u>	<u>777,289</u>
CURRENT ASSETS			
Stocks	3	216,852	153,512
Debtors	4	2,306,885	1,463,473
Cash at bank and in hand		418,395	429,474
		<u>2,942,132</u>	<u>2,046,459</u>
CREDITORS (Amounts falling due within one year)	6	<u>(3,691,487)</u>	<u>(1,675,086)</u>
NET CURRENT (LIABILITIES) ASSETS		<u>(749,355)</u>	<u>371,373</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,269,372</u>	<u>1,148,662</u>
CREDITORS (Amounts falling due after more than one year)	7	<u>(145,863)</u>	<u>(206,691)</u>
TOTAL NET ASSETS		<u><u>1,123,509</u></u>	<u><u>941,971</u></u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000	1,000
Profit and loss account		1,122,509	940,971
SHAREHOLDERS' FUNDS		<u><u>1,123,509</u></u>	<u><u>941,971</u></u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the board of directors on 22-2-2000 and signed on its behalf by:


DIRECTOR

The notes on pages 11 to 19 form part of these financial statements.

HOBS REPROGRAPHICS LIMITED

ABBREVIATED CASHFLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 1999

	Note	1999 IR£	1998 IR£
NET CASH INFLOW FROM OPERATING ACTIVITIES	16	820,900	725,983
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	17	(20,582)	(8,496)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	17	(472,639)	(160,587)
TAXATION		(158,000)	(44,591)
ACQUISITIONS AND DISPOSALS	17	(1,752,962)	(968,087)
		<u>(1,583,283)</u>	<u>(455,778)</u>
FINANCING - EXTERNAL	17	(140,040)	(55,461)
FINANCING - GROUP	17	1,634,852	699,981
(DECREASE) INCREASE IN CASH IN THE YEAR		<u>(88,471)</u>	<u>188,742</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
(DECREASE) INCREASE IN CASH IN THE YEAR		(88,471)	188,742
CASH OUTFLOW ON LEASE PAYMENTS	17	140,040	55,461
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS		<u>51,569</u>	<u>244,203</u>
NEW FINANCE LEASES	18	(119,467)	(379,948)
MOVEMENT IN NET CASH		<u>(67,898)</u>	<u>(135,745)</u>
NET CASH AT BEGINNING OF YEAR	18	104,808	240,553
NET CASH AT END OF YEAR	18	<u>36,910</u>	<u>104,808</u>

HOBBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1999

1. RESTRUCTURING OF THE GROUP

On 31 October 1998, the company incorporated the trading activities and trading assets and liabilities of a group company, Hobs (Drawing Office Services) Limited, operating in the same area. The trade of the company which has been incorporated, is reflected in the consolidated financial statements of Vesontio Limited, which are publicly available in the Irish Companies Registration Office. As a result, the results of the group undertaking which has been amalgamated for the six months ended 30 April 1999 have not been reflected in the accounts as acquired activities.

2. ACQUISITIONS

Gross profit for continuing operations in the year ended 30 April 1999 included £1,004,816 in relation to acquisitions, and selling and administration costs include £1,245,977 in this respect.

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	1999 £	1998 £
Directors' emoluments:		
- For management	133,542	37,185
- Fees	148,749	60,786
- Pension costs	23,198	9,716
Auditors' remuneration	19,692	5,489
Depreciation	737,505	480,565
(Profit) loss on disposal of tangible assets	(13,308)	14,259
Amortisation of goodwill	85,399	-

The emoluments disclosed above are in respect of two directors only. The highest paid director, Joseph Benedict Hackett received emoluments of £77,028 for management, £61,754 for fees and the company contributed £13,404 to defined benefits pension scheme. The remaining director did not receive any remuneration from the company.

4. STAFF AND STAFF COSTS

The average number of persons (including executive directors) employed during the financial year was 147 (1998 : 43).

The aggregate amounts paid to or on behalf of staff are as follows:

	1999 £	1998 £
Wages and salaries	2,140,012	1,071,054
Social welfare costs	165,108	87,498
Pension costs	116,679	37,268
Redundancy costs	111,187	15,010
	<u>2,532,986</u>	<u>1,210,830</u>

HOBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

5. INTEREST PAYABLE AND SIMILAR CHARGES

	1999 £	1998 £
Bank interest and charges	978	5,729
On finance leases	27,027	11,928
	<u>28,005</u>	<u>17,657</u>

6. TAXATION

	1999 £	1998 £
Based on profit for the year:		
Corporation tax @ 31% (1998 @ 31%)	113,230	138,400
Underprovision in previous years	(10,483)	-
	<u>102,747</u>	<u>138,400</u>

7. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
COST					
At 1 May 1998	254,841	1,751,575	189,993	77,735	2,274,144
Additions	63,409	1,863,579	305,345	236,819	2,469,152
Disposals	(61,237)	(185,050)	(20,576)	(98,101)	(364,964)
At 30 April 1999	<u>257,013</u>	<u>3,430,104</u>	<u>474,762</u>	<u>216,453</u>	<u>4,378,332</u>
DEPRECIATION					
At 1 May 1998	178,747	1,182,784	81,525	53,799	1,496,855
Charge for the year	39,378	592,068	74,640	31,419	737,505
Transferred from group undertaking	11,670	567,447	71,924	112,166	763,207
Disposals	(61,237)	(138,635)	(20,576)	(75,919)	(296,367)
At 30 April 1999	<u>168,558</u>	<u>2,203,664</u>	<u>207,513</u>	<u>121,465</u>	<u>2,701,200</u>
NET BOOK VALUE					
At 30 April 1999	<u>88,455</u>	<u>1,226,440</u>	<u>267,249</u>	<u>94,988</u>	<u>1,677,132</u>
At 30 April 1998	<u>76,094</u>	<u>568,791</u>	<u>108,468</u>	<u>23,936</u>	<u>777,289</u>

The net book value of the tangible fixed assets includes £261,714 (1998: £288,334) in respect of assets held under finance leases. The depreciation charge for the year in respect of these assets amounted to £130,871 (1998: £57,583).

HOBBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

8. INTANGIBLE ASSET GOODWILL

	1999 £	1998 £
Balance at beginning of year	-	-
Purchased during the year	489,741	-
Disposed during the year	(62,747)	-
Amortisation during the year	(85,399)	-
Balance at end of year	<u>341,595</u>	<u>-</u>

9. STOCKS

	1999 £	1998 £
Goods and consumables	<u>216,852</u>	<u>153,512</u>

The replacement cost of stocks is not considered to be materially different from the balance sheet value.

10. DEBTORS

	1999 £	1998 £
Amounts falling due within one year:		
Trade debtors	2,028,545	1,236,035
Amounts owed by group undertakings	121,358	147,744
Prepayments	133,859	68,679
Other debtors	17,293	11,015
Amounts owed by director	5,830	-
	<u>2,306,885</u>	<u>1,463,473</u>

11. AMOUNTS OWED BY DIRECTORS

	Kieran John O'Brien £
Balance at 1 May 1998	-
Advances during the year	<u>5,830</u>
Balance at 30 April 1999	<u>5,830</u>
Maximum amount outstanding during the year	<u>5,830</u>

HOBBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

12. CREDITORS (Amounts falling due within one year)

	1999 £	1998 £
Bank overdraft (Note 14)	77,392	-
Obligations under finance leases	158,230	117,975
Trade creditors (see note below)	332,354	196,296
Amounts owed to group undertakings	2,560,985	952,519
Corporation tax	112,564	138,626
Value added tax	131,435	108,182
Payroll taxes	57,029	12,932
Accrued expenses	261,498	148,556
	<u>3,691,487</u>	<u>1,675,086</u>

Some trade creditors have reserved title to goods supplied to the company. Since the extent to which such creditors are effectively secured depends on a number of factors and conditions, some of which are not readily determinable, it is not possible to indicate how much of the above amount is secured under reservation of title.

13. CREDITORS (Amount falling due after more than one year)

	1999 £	1998 £
Obligations under finance leases	<u>145,863</u>	<u>206,691</u>

14. BANK OVERDRAFT

The bank overdraft is repayable as follows:

	1999 £	1998 £
Otherwise than by instalment		
Within one year	<u>77,392</u>	<u>-</u>

The Midland Bank overdraft facility amounting to £77,392 at 30 April 1999, is secured by way of multilateral guarantees from the company and fellow group undertakings together with a second fixed floating charge over the assets of the company.

HOBBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

15. CALLED UP SHARE CAPITAL

	1999	1998
	£	£
Ordinary shares of £1 each:		
Authorised	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

16. CASHFLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	1999	1998
	£	£
Operating profit	302,688	246,164
Depreciation charges	737,505	480,565
Amortisation of goodwill	85,399	-
(Profit) loss on sale of tangible assets	(13,308)	14,259
Decrease (increase) in stocks	67,826	(10,235)
(Increase) in debtors	(196,083)	(355,611)
(Decrease) increase in creditors	(163,127)	350,841
	<u>820,900</u>	<u>725,983</u>
Net cash inflow from operating activities	820,900	725,983

17. ANALYSIS OF CASHFLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

17.1 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	1999	1998
	£	£
Interest paid	(978)	(5,729)
Lease interest paid	(29,206)	(5,964)
Interest received	9,602	3,197
	<u>(20,582)</u>	<u>(8,496)</u>

17.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	1999	1998
	£	£
Payments to acquire tangible assets	(617,291)	(170,286)
Receipts from sale of tangible assets	81,905	9,699
Receipts from sale of intangible assets	62,747	-
	<u>(472,639)</u>	<u>(160,587)</u>

HOBBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

17.2 ACQUISITIONS AND DISPOSALS

	1999	1998
	£	£
Purchase of business	(772,863)	-
Transfer of business from group undertaking	(980,099)	(968,087)
	<u>(1,752,962)</u>	<u>(968,087)</u>

17.3 FINANCING - EXTERNAL

	1999	1998
	£	£
Repayment of finance lease obligations	(140,040)	(55,461)

17.4 FINANCING - GROUP

	1999	1998
	£	£
Amounts advanced by group	1,634,852	699,981

18. ANALYSIS OF CHANGES IN NET FUNDS

	1998	Cash flows	Non-cash movements	1999
	£	£	£	£
Cash at bank and in hand	429,474	(11,079)	-	418,395
Bank overdraft	-	(77,392)	-	(77,392)
Finance leases	(324,666)	140,040	(119,467)	(304,093)
TOTAL	<u>104,808</u>	<u>51,569</u>	<u>(119,467)</u>	<u>36,910</u>

19. PURCHASE OF BUSINESS

	1999
	£
Net assets acquired:	
Tangible fixed assets	486,044
Stock	19,812
Other debtors	24,830
	<u>530,686</u>
Goodwill	242,177
	<u>772,863</u>
Satisfied by	
Advance from group undertaking	<u>772,863</u>

HOBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

20. TRANSFER OF BUSINESS FROM GROUP UNDERTAKING

	1999 £	1998 £
Net assets acquired:		
Tangible fixed assets	602,610	660,750
Debtors	590,635	427,964
Stock	111,354	27,781
Other debtors	58,250	13,170
Prepayments	-	25,857
Creditors	(271,013)	-
Accruals	(149,116)	(20,521)
VAT	(40,596)	117,934
Payroll taxes	(20,932)	-
Corporation tax	(29,191)	-
Finance leases	(119,467)	(284,848)
	<u>732,534</u>	<u>968,087</u>
Goodwill	247,565	-
	<u>980,099</u>	<u>968,087</u>
Satisfied by		
Advance from group undertaking	<u>980,099</u>	<u>968,087</u>

21. PENSIONS

The company is a member of a group defined benefits scheme which is managed by the parent undertaking, Hobs (Drawing Office Services) Limited.

The contributions are charged to the profit and loss account of the company so as to spread the cost of pensions as incurred over employees' working lives. The assets of the scheme are held in separate trustee administered funds. The group contribution rate is determined by actuaries on the basis of periodic valuations using the projected unit method. The most recent actuarial valuation of the scheme was carried out at 6 April 1996, and is not available for public inspection. The pension cost charged to the profit and loss account of the company was £115,852 (1998 - £37,268).

The company also operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost represents contributions payable to the fund and amounted to £827.

HOBS REPROGRAPHICS LIMITED

NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

22. COMMITMENTS

22.1 Capital

The company had neither contracted for, nor had the directors authorised, any capital expenditure at the balance sheet date.

22.2 Finance leases

Finance lease obligations, net of interest, are due for repayment as follows:

	1999 £	1998 £
In one year	158,230	117,975
Between one and two years	107,428	129,140
From two to five years	38,435	77,551
	<u>304,093</u>	<u>324,666</u>

22.3 Operating leases

Leasing commitments payable during the next twelve months are as follows:

	Leasehold Property £	Motor Vehicles £	Total £
Payable on leases which expire			
-within two years	28,512	93,675	112,187
-within five years	-	11,692	11,692
-after five years	182,630	-	182,630
	<u>211,142</u>	<u>105,367</u>	<u>316,509</u>

23. CONTINGENT LIABILITIES

(a) The company is contingently liable to Midland Bank under unlimited multilateral guarantees and a second fixed and floating charge over the assets of the company in respect of liabilities of fellow group undertakings.

(b) The company is a party to guarantees and debentures provided to Bank of Ireland in respect of the liabilities of fellow group undertakings to the extent of IR£510,000 and £3,200,000.

24. RELATED PARTY TRANSACTIONS

As the company is ultimately controlled by Vesontio Limited, the consolidated accounts of which are publicly available from the Irish Companies Registration Office, advantage has been taken of the exemption from disclosing transactions with other group undertakings.