

51368

HOBS REPROGRAPHICS PLC

YEAR ENDED 30 APRIL 2004



HOBBS REPROGRAPHICS PLC

**REPORTS AND ACCOUNTS FOR THE YEAR ENDED
30 APRIL 2004**

CONTENTS	Page
Directors and other information	2
Report of the directors	3
Report of the auditors	5
Statement of accounting policies	7
Profit and loss account	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12
Supplementary information	21

HOBBS REPROGRAPHICS PLC

DIRECTORS AND OTHER INFORMATION

DIRECTORS:
Joseph Dominic Hackett
Kieran John O'Brien
Joseph Benedict Hackett

**SECRETARY AND
REGISTERED OFFICE:**
Joseph Benedict Hackett
St Andrews Building
Slater Street
Liverpool
L1 4BS

REGISTERED NUMBER: 00511368

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

BANKERS:
HSBC Bank
City Branch
4 Dale Street
Liverpool
L1 4BS

SOLICITORS:
Wilson Cowie & Dillon
10 James Street
Liverpool
L2 7PL

HOBBS REPROGRAPHICS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2004

The directors submit their report together with the audited financial statements for the year ended 30 April 2004.

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.

The directors are satisfied with the company's performance during the year. Plans for the year ended 30 April 2005 are for further expansion of the company and the continued improvement of the company's trading performance and profitability.

RESULTS, DIVIDENDS AND RETENTIONS

	2004 £	2003 £
The results and appropriations are summarised as follows:-		
Profit for the year, after taxation	1,476,021	356,945
Balance at beginning of year	3,131,667	2,774,722
Balance at end of year	<u>4,607,688</u>	<u>3,131,667</u>

The directors do not recommend the declaration of a dividend.

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 was a wholly owned subsidiary of Hobs (Drawing Office Services) Limited, a company registered in England, at the balance sheet date.

The directors considered Vesontio Limited, a company incorporated in the Republic of Ireland, to be the ultimate holding company at the balance sheet date.

HOBS REPROGRAPHICS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2004

DIRECTORS AND THEIR INTERESTS

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

None of the present directors or secretary had any interest in the share capital of the company but had the following shareholdings in the group at the balance sheet dates:

	2004	2003
Ordinary shares of €1.269738 each :		
Joseph Dominic Hackett	250	250
Kieran John O'Brien	343	343
Joseph Benedict Hackett	257	257
"B" Ordinary shares of €1.269738 each:		
Joseph Benedict Hackett	1	1
"C" Ordinary shares of €1.269738 each:		
Joseph Dominic Hackett	1	1
"D" Ordinary shares of €1.269738 each:		
Kieran John O'Brien	1	1

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

AUDITORS

In accordance with the 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.

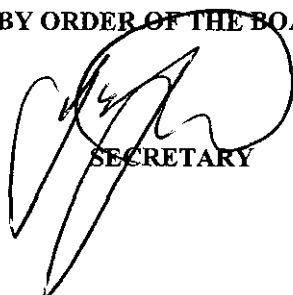
TANGIBLE FIXED ASSETS

Movements in tangible fixed assets are disclosed in note 6 to the financial statements.

DATED THIS

25-11-2004

BY ORDER OF THE BOARD


SECRETARY

HOBS REPROGRAPHICS PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HOBS REPROGRAPHICS PLC

We have audited the financial statements of Hobs Reprographics plc on pages 7 to 20 which comprise the accounting policies, the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

The 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, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatement within it.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

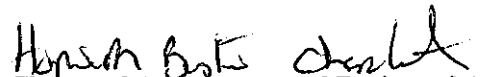
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

HOBS REPROGRAPHICS PLC

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
HOBS REPROGRAPHICS PLC**

OPINION

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Chartered Accountants and Registered Auditors
Marine House
Clanwilliam Court
Dublin 2

Date: 25 November 2004

HOBS REPROGRAPHICS PLC

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 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 at the following annual rates:

Freehold property	-	4%	straight line
Leasehold improvements	-	20%	straight line
Plant and equipment	-	20-50%	straight line
Fixtures and fittings	-	20-25%	straight line
Motor vehicles	-	25%	straight line

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 costs to completion and all costs to be incurred in marketing, selling and distribution.

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%
----------	---	-----

LEASED ASSETS

Tangible fixed assets held by the company under finance 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 all other leases are charged to the profit and loss account as incurred.

HOBBS REPROGRAPHICS PLC

STATEMENT OF ACCOUNTING POLICIES

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.

The company also operates a defined contribution scheme and benefits are funded over the employee's period of service by way of contributions from the company and employees. Contributions are charged to the profit and loss account in the year in which they become payable.

DEFERRED TAXATION

Full provision is provided for deferred tax liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be applicable taxable profits from which the future reversal of the underlying timing differences can be deducted.

FOREIGN CURRENCIES

Unless specifically covered by forward exchange contracts, whereupon the contract rate is used, monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rate ruling at the balance sheet date. Revenue, costs and non-monetary assets are translated at the exchange rates ruling at the dates of the transaction.

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

HOBBS REPROGRAPHICS PLC**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
30 APRIL 2004**

	Notes	2004 £	2003 £
TURNOVER		16,866,016	15,035,864
COST OF SALES		(3,815,308)	(3,677,148)
GROSS PROFIT		13,050,708	11,358,716
ADMINISTRATIVE EXPENSES		(10,760,516)	(10,414,390)
OPERATING PROFIT	1	2,290,192	944,326
BANK INTEREST RECEIVABLE		48,072	10,618
INTEREST PAYABLE AND SIMILAR CHARGES	3	-	(23,604)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,338,264	931,340
TAXATION	4	(862,243)	(574,395)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,476,021	356,945
RETAINED PROFIT AT BEGINNING OF YEAR		3,131,667	2,774,722
RETAINED PROFIT AT END OF YEAR		4,607,688	3,131,667

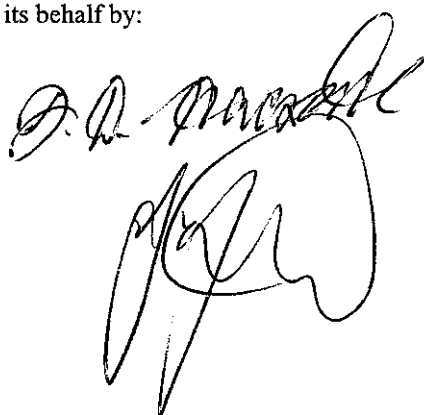
All of the turnover and profit arises from continuing activities. The company has no recognised gains or losses for the years ended 30 April 2004 and 30 April 2003 other than the profit for the year which has been calculated on an historical cost basis. This represents the only movement on shareholders' funds.

HOBS REPROGRAPHICS PLC

BALANCE SHEET AS AT 30 APRIL 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Intangible assets	5	80,000	120,000
Tangible assets	6	2,801,687	3,160,240
		<u>2,881,687</u>	<u>3,280,240</u>
CURRENT ASSETS			
Stocks	7	509,662	479,974
Debtors	8	3,698,103	3,712,737
Cash at bank and in hand		3,200,274	863,911
		<u>7,408,039</u>	<u>5,056,622</u>
CREDITORS (Amounts falling due within one year)	9	<u>(5,632,038)</u>	<u>(5,155,195)</u>
NET CURRENT ASSETS (LIABILITIES)		<u>1,776,001</u>	<u>(98,573)</u>
TOTAL NET ASSETS		<u><u>4,657,688</u></u>	<u><u>3,181,667</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	50,000	50,000
Profit and loss account		4,607,688	3,131,667
SHAREHOLDERS' FUNDS		<u><u>4,657,688</u></u>	<u><u>3,181,667</u></u>

The financial statements were approved by the board of directors on25-11-2004..... and signed on its behalf by:



)
Directors
)

HOBBS REPROGRAPHICS PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2004

	Note	2004 £	2003 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	12	3,548,943	3,094,090
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	13	48,072	(12,986)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	13	(1,218,933)	(1,308,625)
TAXATION PAID		(317,366)	(915,798)
		<u>2,060,716</u>	<u>856,681</u>
FINANCING - EXTERNAL	13	-	(847,198)
FINANCING - GROUP	13	275,647	40,745
INCREASE IN CASH IN THE YEAR	14	<u>2,336,363</u>	<u>50,228</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS (DEBT)

INCREASE IN CASH IN THE YEAR	14	2,336,363	50,228
CASH OUTFLOW ON BANK LOANS	14	-	12,434
CASH OUTFLOW ON LEASE PAYMENTS	14	-	834,764
CHANGE IN NET FUNDS RESULTING FROM CASH FLOWS		<u>2,336,363</u>	<u>897,426</u>
NET FUNDS (DEBT) AT BEGINNING OF YEAR	14	863,911	(33,515)
NET FUNDS AT END OF YEAR	14	<u>3,200,274</u>	<u>863,911</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

1. OPERATING PROFIT

Operating profit is stated after charging:

	2004	2003
	£	£
Directors' emoluments:		
- For management	599,097	375,272
- Pension costs	33,574	32,152
Amortisation of goodwill	40,000	139,527
Depreciation of tangible assets	1,571,230	1,475,941
Loss on disposal of tangible fixed assets	6,256	20,631
Auditors' remuneration	11,035	37,512

The directors remuneration disclosed above includes £449,463 in respect of the highest paid director.

2. STAFF AND STAFF COSTS

The average number of persons (including executive directors) employed during the financial period was 248 (2003 : 255).

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

	2004	2003
	£	£
Wages and salaries	5,786,401	5,110,494
Social welfare costs	538,668	428,611
Pension costs	213,955	462,069
Redundancy costs	15,370	64,794
	<u>6,554,394</u>	<u>6,065,968</u>

Wages and salaries includes £103,934 (2003: £109,785) which has been recharged from a fellow group undertaking, J.D. Hackett and Company Limited, in respect of the Finance Director.

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Bank interest	-	23,449
On finance leases	-	155
	<u>-</u>	<u>23,604</u>

HOBBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

4. TAXATION

	2004	2003
	£	£
Corporation tax	<u>862,243</u>	<u>574,395</u>
Factors affecting corporation tax for period - reconciliation of current taxation charge:		
	€	€
Taxation at standard rate of 30% (2003: 30%)	701,479	279,402
Factors affecting charge:		
Capital allowances in excess of depreciation	124,113	169,348
Expenses not deductible for tax purposes	24,651	90,179
Adjustments to tax charge in respect of previous periods	-	(6,392)
Amortisation of goodwill	<u>12,000</u>	<u>41,858</u>
Corporation tax charge for period	<u>862,243</u>	<u>574,395</u>

5. INTANGIBLE ASSET GOODWILL

	£
COST	
At 1 May 2003	840,286
Additions	-
At 30 April 2004	<u>840,286</u>
AMORTISATION	
At 1 May 2003	720,286
Charge for the year	40,000
At 30 April 2004	<u>760,286</u>
NET BOOK VALUE	
At 30 April 2004	<u>80,000</u>
At 30 April 2003	<u>120,000</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

6. TANGIBLE FIXED ASSETS

	Freehold property £	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
COST						
At 1 May 2003	309,304	740,444	4,746,211	508,803	772,432	7,077,194
Additions	-	167,520	778,595	86,638	245,177	1,277,930
Disposals/write off of assets	-	(46,340)	(142,905)	(66,105)	(174,024)	(429,374)
At 30 April 2004	309,304	861,624	5,381,901	529,336	843,585	7,925,750
DEPRECIATION						
At 1 May 2003	37,116	491,045	2,660,977	379,786	348,030	3,916,954
Charge for the year	12,372	139,878	1,146,438	59,709	212,833	1,571,230
Disposals/write off of assets	-	(46,340)	(142,905)	(66,105)	(108,771)	(364,121)
At 30 April 2004	49,488	584,583	3,664,510	373,390	452,092	5,124,063
NET BOOK VALUE						
At 30 April 2004	259,816	277,041	1,717,391	155,946	391,493	2,801,687
At 30 April 2003	272,188	249,399	2,085,234	129,017	424,402	3,160,240

The directors have adopted a policy of writing off all assets with a net book value of £nil at the year end. The cost and corresponding accumulated depreciation on these assets is included in disposal/write off of assets above.

The net book value of the tangible fixed assets includes £Nil (2003 : £Nil) in respect of assets held under finance leases. The depreciation charge for the year in respect of these assets amounted to £Nil (2003 : £5,179).

7. STOCKS

	2004 £	2003 £
Goods and consumables	509,662	479,974

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

HOBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2004****8. DEBTORS**

	2004	2003
	£	£
Amounts falling due within one year:		
Trade debtors	3,096,030	2,932,700
Amounts owed by group undertakings	233,236	404,949
Corporation tax refundable	-	979
Other debtors	16,833	34,911
Prepayments	352,004	339,198
	<u>3,698,103</u>	<u>3,712,737</u>

9. CREDITORS (amounts falling due within one year)

	2004	2003
	£	£
Trade creditors (see note below)	847,663	851,084
Amounts owed to group undertakings	3,203,951	3,105,931
Corporation tax	543,898	-
Value added tax	340,656	315,661
Payroll taxes	168,937	160,195
Accrued expenses	526,933	722,324
	<u>5,632,038</u>	<u>5,155,195</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.

10. DEFERRED TAXATION

No provision has been made in these accounts for a deferred tax asset of £338,496 (2003: £25,630) on the basis that such an asset would not reverse in the foreseeable future under the company's tangible fixed asset renewals and depreciation policy.

11. CALLED UP SHARE CAPITAL

	2004	2003
	£	£
Ordinary shares of £1 each:		
Authorised	100,000	100,000
Allotted, called up and fully paid	<u>50,000</u>	<u>50,000</u>

HOBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2004****12. CASH FLOW STATEMENT****RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM
OPERATING ACTIVITIES**

	2004	2003
	£	£
Operating profit	2,290,192	944,326
Depreciation	1,571,230	1,475,941
Amortisation of goodwill	40,000	139,527
Foreign exchange loss on inter company loans	(5,914)	23,166
(Increase) in stocks	(29,688)	(4,843)
(Increase)/decrease in debtors	(156,989)	66,590
(Decrease)/increase in creditors	(166,144)	428,752
Loss on disposal of tangible fixed assets	6,256	20,631
Net cash inflow from operating activities	<u>3,548,943</u>	<u>3,094,090</u>

**13. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW
STATEMENT****13.1 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	2004	2003
	£	£
Interest paid	-	(23,449)
Lease interest paid	-	(155)
Interest received	48,072	10,618
	<u>48,072</u>	<u>(12,986)</u>

13.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2004	2003
	£	£
Purchase of tangible fixed assets	(1,277,930)	(1,346,779)
Receipts from sale of tangible fixed assets	58,997	38,154
	<u>(1,218,933)</u>	<u>(1,308,625)</u>

HOBBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

13.3 FINANCING - EXTERNAL

	2004	2003
	£	£
Repayment of finance lease obligation	-	(12,434)
Bank loans repaid	-	(834,764)
	<u>-</u>	<u>(847,198)</u>

13.4 FINANCING - GROUP

	2004	2003
	£	£
Amounts advanced by group undertakings	<u>275,647</u>	<u>40,745</u>

14. ANALYSIS OF CHANGES IN NET FUNDS

	2003	Cash flows	2004
	£	£	£
Cash at bank and in hand	<u>863,911</u>	<u>2,336,363</u>	<u>3,200,274</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2004

15. PENSIONS COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered scheme. The pension cost represents contributions payable to the funds and amounted to £73,921 (2003 : £75,144).

The company also operates a defined benefit pension scheme for employees. Scheme assets are held in separate trustee administered funds.

A. SSAP 24 DISCLOSURES

The contributions to the defined benefit scheme are charged to the profit and loss account of the undertaking so as to spread the cost of pensions incurred over employees' working lives. The assets of the scheme are held in separate trustee administered funds. Contributions are determined by qualified actuaries on the basis of periodic valuations using the attained age method. The most recent actuarial valuation of the scheme was carried out at 6 April 2002 and is not available for public inspection. The actuarial report showed that at that date the market value of the scheme's assets was £1,424,361 which, on an actuarial basis, was sufficient to cover approximately 77% of the accrued liabilities allowing for expected future increases in earnings. A once-off contribution of Stg£250,000 was provided in the year ended 30 April 2003 to fund the excess of the accumulated pension cost over the amount funded. From November 2003 the company increased pension contributions by 1%. These contributions will be charged over the average remaining service lives of employees as a fixed percentage of expected future pay.

The costs charged to the profit and loss account in 2004 were £140,034 (2003: £386,925). Actuarial reports are available to members only.

B. FRS 17 DISCLOSURES

The most recent full valuation was carried out at 6 April 2002 as noted above. This valuation has been updated by an independent qualified actuary as at 30 April 2004 in order to fulfil the requirements of FRS 17. The valuation has been completed using the projected unit basis.

The major assumptions used by the actuary were:

	2004 % per annum
Discount rate	5.60%
Inflation rate	3.10%
Pensionable salary increases	4.60%
Increase to statutory pensions in deferment	3.10%

The assets in the scheme and the expected rate of return were:

	Long term rate of return expected 2004	Value 2004 €'000
Policy of insurance	6.5%	1,819
Total market value of all assets		1,819
Present value of scheme liabilities		(2,633)
Deficit in the scheme		(814)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2004

15 PENSION COSTS (continued)

The full amount that would be chargeable/creditable under the full implementation of FRS 17 are detailed below:

	2004 €'000
Chargeable against operating profit	
Current service cost	(100)
Past service cost	-
Gains on settlements and curtailments	-
Total operating charge	<u>(100)</u>
Creditable to other finance income	
Expected return on pension scheme assets	92
Interest on pension scheme liabilities	<u>(121)</u>
Net return	<u>(29)</u>
Recognisable in the statement of total recognised gains and losses (STRGL)	
Actual return less expected return on pension scheme assets	90
Experience gains and losses arising on scheme liabilities	(81)
Changes in assumptions underlying the present value of liabilities	<u>(72)</u>
Actuarial loss recognisable in STRGL	<u>(63)</u>
Movement in deficit during the year	
Deficit in scheme at the beginning of the year	(1,017)
Movement in year:	
Current service cost	(100)
Contributions	395
Other finance income	(29)
Actuarial loss	<u>(63)</u>
Deficit in scheme at end of year	<u>(814)</u>
History of experience gains and losses	2004
Difference between the expected and the actual return on scheme assets:	
Amount (€'000)	90
Percentage of scheme assets	4.9%
Experience gains and losses on scheme liabilities:	
Amount (€'000)	(81)
Percentage of present value of scheme liabilities	3.1%
Total amount recognisable in STRGL:	
Amount (€'000)	(63)
Percentage of present value of scheme liabilities	2.4%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2004

16. COMMITMENTS
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	201,055	-	201,055
-within five years	57,740	29,073	86,813
-after five years	302,221	-	302,221
	<u>561,016</u>	<u>29,073</u>	<u>590,089</u>

17. CONTINGENT LIABILITIES

- (a) The company is contingently liable to HSBC Bank under an unlimited multilateral guarantee in respect of liabilities of fellow group undertakings.
- (b) The company is party to guarantees and debentures provided to Bank of Ireland in respect of the liabilities of fellow group undertakings to the extent of Euro€758,033 and Stg£3,830,000.
- (c) The company is party to guarantees and debentures provided to Ulster Bank in respect of the liabilities of fellow group undertakings to the extent of Stg£400,000.

18. RELATED PARTY TRANSACTIONS

As the company was ultimately controlled by Vesontio Limited at the balance sheet date, 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.

HOBS REPROGRAPHICS PLC

SUPPLEMENTARY INFORMATION: DETAILED COST OF SALES AND OVERHEADS SCHEDULES FOR THE YEAR ENDED 30 APRIL 2004 (not covered by the report of the auditors)

	2004 £	2003 £
COST OF SALES		
Opening stocks	479,974	475,131
Purchases and related carriage	3,844,996	3,681,991
	<u>4,324,970</u>	<u>4,157,122</u>
Closing stocks	(509,662)	(479,974)
	<u>3,815,308</u>	<u>3,677,148</u>
 ADMINISTRATIVE EXPENSES		
Wages and salaries	5,921,723	5,658,544
Directors remuneration	599,097	375,272
Directors' pension costs	33,574	32,152
Staff training	12,758	16,905
Rent, rates and service charges	761,447	900,326
Insurance	103,662	72,753
Light and heat	34,189	57,398
Office cleaning	60,613	51,055
Repairs and maintenance	90,946	156,896
Printing, postage and stationery	124,326	57,209
Advertising and sales promotion	70,657	73,192
Recruitment	65,605	49,768
Telephone and fax	168,017	187,122
Data processing	47,320	51,609
Motor and travel expenses	709,549	784,168
Legal and professional fees	113,275	58,079
Auditors' remuneration	11,035	37,512
Bank charges	36,025	32,492
Bad debts	53,945	23,032
(Profit) loss on foreign exchange	(5,914)	23,166
General expenses	112,682	70,846
Subscriptions and donations	18,499	8,795
Amortisation of goodwill	40,000	139,527
Loss on disposal of tangible assets	6,256	20,631
Depreciation	1,571,230	1,475,941
	<u>10,760,516</u>	<u>10,414,390</u>