

HOBS REPROGRAPHICS PLC

YEAR ENDED 30 APRIL 2007

Company Number : 00511368

THURSDAY



APWBLV20

A20

29/11/2007

365

COMPANIES HOUSE

HOBS REPROGRAPHICS PLC

**REPORTS AND ACCOUNTS FOR THE YEAR ENDED
30 APRIL 2007**

CONTENTS	Page
Directors and other information	2
Report of the directors	3
Report of the auditors	6
Statement of accounting policies	8
Profit and loss account	10
Balance sheet	11
Statement of total recognised gains and losses	12
Reconciliation of movement in shareholders' funds	12
Cash flow statement	13
Notes to the financial statements	14
Supplementary information	26

HOBBS REPROGRAPHICS PLC

DIRECTORS AND OTHER INFORMATION

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

**SECRETARIES AND
REGISTERED OFFICE:** Joseph Benedict Hackett
Charles Johnson

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
L69 2BZ

SOLICITORS: Wilson Cowie & Dillon
10 Duke Street
Liverpool
Merseyside
L1 5AS

HOBBS REPROGRAPHICS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2007

The directors submit their report together with the audited financial statements for the year ended 30 April 2007

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 confirm that they have complied with the above requirements in preparing the financial statements.

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 2008 are for further expansion of the company and the continued improvement of the company's trading performance and profitability.

RESULTS, DIVIDENDS AND RETENTIONS

	2007 £	2006 £
The results and appropriations are summarised as follows -		
Profit for the year, after taxation	1,316,334	1,728,198
Balance at beginning of year	4,210,665	2,528,467
	<u>5,526,999</u>	<u>4,256,665</u>
Actuarial gain (loss)	467,000	(46,000)
Balance at end of year	<u>5,993,999</u>	<u>4,210,665</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 is a wholly owned subsidiary of Hobs (Drawing Office Services) Limited, a company registered in England.

The directors consider Vesontio Limited, a company incorporated in the Republic of Ireland, to be the ultimate holding company. Details of the subsidiary undertaking are set out in note 6 to the financial statements.

HOBS REPROGRAPHICS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2007

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 ultimate parent undertaking at the balance sheet dates:

	2007	2006
Ordinary shares of £1 each:		
Joseph Dominic Hackett	-	-
Kieran John O'Brien	4,034	4,034
Joseph Benedict Hackett	3,025	3,025
Charles Johnson	-	-

On 18 August 2006 Charles Johnson was appointed as company secretary. On 25 August 2006 Anna Bourne resigned as company secretary.

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

PRINCIPAL RISKS AND UNCERTAINTIES

The directors are responsible for the company's system of internal controls and for reviewing its effectiveness. The internal control system is designed to manage, rather than eliminate the risk of failure to achieve the company's business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The directors are not aware of any specific risks or uncertainties, which would have an impact on the company with the exception of pension scheme obligations, which may require the company to make additional contributions to the scheme.

EMPLOYEES

The company is committed to improving its employees' skills through training and development and encourages employees to work to their full potential. The company is also committed to involving employees in business developments.

The company is committed to fulfilling its obligations in accordance with the Disability Discrimination Act 1995 and best practice, giving equal consideration to applicants with disabilities in its employment criteria. The company is also committed to providing full support and appropriate training for employees who become disabled during the course of their employment so that they can continue to work in a position appropriate to their experience and abilities.

INFORMATION GIVEN TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985.

HOBS REPROGRAPHICS PLC

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED
30 APRIL 2007**

AUDITORS

Horwath Bastow Charleton is eligible and has expressed a willingness to continue in office

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

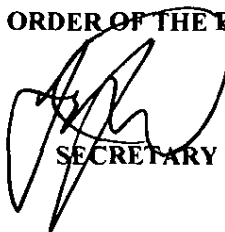
TANGIBLE FIXED ASSETS

Movements in tangible fixed assets are disclosed in note 5 to the financial statements

DATED THIS

28 - NOVEMBER - 2007

BY ORDER OF THE BOARD


SECRETARY

HOBBS REPROGRAPHICS PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HOBBS REPROGRAPHICS PLC

We have audited the financial statements of Hobbs Reprographics plc on pages 8 to 25 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.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act, 1985. Our audit has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 described on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 the 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 AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

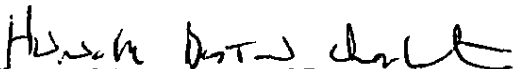
HOBS REPROGRAPHICS PLC

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

OPINION

In our opinion, the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 30 April 2007 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Acts 1985

In our opinion, the information given in the directors' report on pages 3 to 5 is consistent with the financial statements


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

Date: 20 November 2007,

HOBBS 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	-	25%
----------	---	-----

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.

HOBS 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 2007**

	Notes	2007 Stg £	2006 Stg £
TURNOVER		20,347,436	19,319,747
COST OF SALES		(4,888,808)	(4,472,840)
GROSS PROFIT		15,458,628	14,846,907
ADMINISTRATIVE EXPENSES		(13,637,168)	(12,858,419)
OPERATING PROFIT	1	1,821,460	1,988,488
BANK INTEREST RECEIVABLE		69,026	42,646
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,890,486	2,031,134
TAXATION	3	(574,152)	(302,936)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR	13	1,316,334	1,728,198

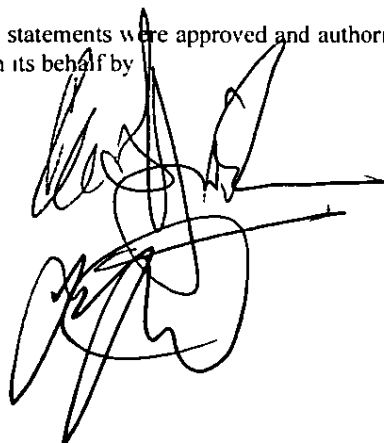
All of the turnover and results arise from continuing operations. The company has no recognised gains or losses other than the profit for the year which has been calculated on an historical cost basis. This represents the only movement on shareholders' funds.

HOBS REPROGRAPHICS PLC

BALANCE SHEET AS AT 30 APRIL 2007

	Note	2007 Stg £	2006 Stg £
FIXED ASSETS			
Intangible assets	4	64 409	-
Tangible assets	5	3,289 229	3 393,445
Financial assets	6	849,769	85
		<u>4 203 407</u>	<u>3,393,530</u>
CURRENT ASSETS			
Stocks	7	512 106	493,055
Debtors	8	5 708,738	5 718,536
Cash at bank and in hand		1 958,244	1 204,920
		<u>8 179 088</u>	<u>7 416 511</u>
CREDITORS (Amounts falling due within one year)	10	<u>(5,756,496)</u>	<u>(5 383,376)</u>
NET CURRENT ASSETS		<u>2 422,592</u>	<u>2 033,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6 625,999</u>	<u>5 426 665</u>
RETIREMENT BENEFIT SCHEME DEFICIT	11	<u>(582,000)</u>	<u>(1,166,000)</u>
TOTAL NET ASSETS		<u><u>6 043,999</u></u>	<u><u>4 260,665</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	50,000	50,000
Profit and loss account	13	5 993 999	4 210,665
SHAREHOLDERS' FUNDS		<u><u>6 043 999</u></u>	<u><u>4 260 665</u></u>

The financial statements were approved and authorised for issue by the board of directors on 28/11/07 and signed on its behalf by



)
Director
)

HOBS REPROGRAPHICS PLC**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 APRIL 2007**

	2007 Stg £	2006 Stg £
Profit on ordinary activities for the year	1,316,334	1,728,198
Actuarial gain (loss) on defined benefit pension scheme (Note 11)	467,000	(46,000)
Prior year adjustment	-	(1,112,000)
TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR	1,783,334	570,198

**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS FOR THE YEAR
ENDED 30 APRIL 2007**

	2007 Stg £	2006 Stg £
Profit for the financial year	1,316,334	1,728,198
Actuarial gain (loss) for the year (Note 11)	467,000	(46,000)
Opening shareholders' funds	4,260,665	2,578,467
Closing shareholders' funds	6,043,999	4,260,665

HOBBS REPROGRAPHICS PLC**CASH FLOW STATEMENT FOR THE YEAR ENDED
30 APRIL 2007**

	Note	2007 Stg £	2006 Stg £
NET CASH INFLOW FROM OPERATING ACTIVITIES	14	2,987,228	3,492,649
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	15	69,026	42,646
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	15	(2,266,920)	(2,133,091)
TAXATION PAID		(246,241)	(1,394,855)
		<u>543,093</u>	<u>7,349</u>
FINANCING - EXTERNAL	15	(4,249)	5,340
FINANCING - GROUP	15	214,480	207,883
INCREASE IN CASH IN THE YEAR	16	<u>753,324</u>	<u>220,572</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS

INCREASE IN CASH IN THE YEAR	16	753,324	220,572
NET FUNDS AT BEGINNING OF YEAR	16	<u>1,204,920</u>	<u>984,348</u>
NET FUNDS AT END OF YEAR	16	<u>1,958,244</u>	<u>1,204,920</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2007

1 OPERATING PROFIT

Operating profit is stated after charging(crediting)

	2007	2006
	Stg £	Stg £
Directors' emoluments		
- For management	891,937	877,033
- Pension costs	31,320	30,408
Amortisation of goodwill	8,051	40,000
Depreciation of tangible assets	1,539,684	1,456,917
Profit on disposal of tangible fixed assets	(18,896)	(17,160)
Operating leases	976,732	721,986
Auditors' remuneration	32,420	29,780
	<u> </u>	<u> </u>

The directors emoluments disclosed above includes £684,297 for management and £31,320 for pension costs 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 296 (2006 263)

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

	2007	2006
	Stg £	Stg £
Wages and salaries	7,948,316	7,323,994
Social welfare costs	739,348	680,170
Pension costs	260,110	190,904
Redundancy costs	16,210	70,176
	<u>8,963,984</u>	<u>8,265,244</u>

Wages and salaries includes £101,277 (2006 £122,234) which has been recharged from a fellow group undertaking, J D Hackett and Company Limited, in respect of the Finance Director, Joseph Benedict Hackett

HOBBS REPROGRAPHICS PLC

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2007**

3. TAXATION

	2007 Stg £	2006 Stg £
Analysis of tax charge in the period :		
<i>Current tax</i>		
UK Corporation tax	656,447	702,149
Tax overprovided in prior year	(5,830)	(4,145)
<i>Total current tax</i>	<u>650,617</u>	<u>698,004</u>
Deferred tax (Note 9)	(76,465)	(395,068)
Total tax on profit on ordinary activities for the year	<u>574,152</u>	<u>302,936</u>

Factors affecting corporation tax for the year - reconciliation of current taxation charge:

	£	£
Profit on ordinary activities before tax	<u>1,890,486</u>	<u>2,031,134</u>
Taxation at standard rate of 30%	567,146	609,340
Factors affecting charge		
Depreciation and amortisation charged in excess of capital allowances	56,490	41,408
Expenses not deductible for tax purposes	17,772	56,699
Non trade financial income	20,708	-
Profit on disposals of fixed assets	(5,669)	(5,298)
Prior year overprovision of corporation tax	(5,830)	(4,145)
Current tax charge for the year	<u>650,617</u>	<u>698,004</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2007

4 INTANGIBLE ASSET GOODWILL

	Stg £
COST	
Additions	72,460
At 30 April 2007	<u>72,460</u>
AMORTISATION	
At 1 May 2006	-
Charge for the year	8,051
At 30 April 2007	<u>8,051</u>
NET BOOK VALUE	
At 30 April 2007	<u>64,409</u>
At 30 April 2006	<u>-</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2007

5. TANGIBLE FIXED ASSETS

	Freehold property Stg £	Leasehold improvements Stg £	Plant and equipment Stg £	Fixtures and fittings Stg £	Motor vehicles Stg £	Total Stg £
COST						
At 1 May 2006	309,304	794,680	7,470,470	271,463	1,011,581	9,857,498
Additions	-	333,132	849,708	63,649	212,908	1,459,397
Disposals/write off of assets	-	(61,886)	(286,326)	(75,202)	(201,085)	(624,499)
At 30 April 2007	309,304	1,065,926	8,033,852	259,910	1,023,404	10,692,396
DEPRECIATION						
At 1 May 2006	74,232	307,160	5,390,703	156,758	535,200	6,464,053
Charge for the year	12,372	220,193	1,029,406	52,104	225,609	1,539,684
Disposals/write off of assets	-	(61,886)	(286,326)	(75,202)	(177,156)	(600,570)
At 30 April 2007	86,604	465,467	6,133,783	133,660	583,653	7,403,167
NET BOOK VALUE						
At 30 April 2007	222,700	600,459	1,900,069	126,250	439,751	3,289,229
At 30 April 2006	235,072	487,520	2,079,767	114,705	476,381	3,393,445

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

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2007

6. FINANCIAL ASSETS

	2007	2006
	Stg £	Stg £
Balance at beginning of year	85	80
Additions	849,684	5
Balance at end of year	<u>849,769</u>	<u>85</u>

The directors are of the opinion that the market value of the investments are not less than the amount stated above

Name of Company	Hobs Legal Docs Limited
Nature of business	Reprographic Services
Registered Office	St Andrews Building, Slater St, Liverpool L1 4BS
Country of Incorporation	United Kingdom
Description of holding	Ordinary shares of £1 each
Proportion of Holding	85%
Profit for the period ended 30 April 2006	£42,138
Shareholders' funds at 30 April 2006	£3,783

Name of Company	Miller Reprographics Limited
Nature of business	Reprographic Services
Registered Office	21/22 Charing Cross Mansions, 30 St Georges Road, Glasgow, G3 6UJ
Country of Incorporation	Scotland
Description of holding	Ordinary shares of £1 each

Miller Reprographics Limited was acquired during the year and no financial statements are yet available

7. STOCKS

	2007	2006
	Stg £	Stg £
Goods and consumables	<u>512,106</u>	<u>493,055</u>

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

HOBBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2007****8. DEBTORS**

	2007	2006
	Stg £	Stg £
Amounts falling due within one year		
Trade debtors	4,411,732	4,136,422
Amounts owed by group undertakings (Note 18)	356,374	535,448
Deferred tax asset (Note 9)	471,533	395,068
Corporation tax refundable	-	128,653
Other debtors	26,290	31,580
Prepayments	442,809	491,365
	<u>5,708,738</u>	<u>5,718,536</u>

9. DEFERRED TAXATION ASSET

	2007	2006
	£	£
At 1 May 2006	395,068	-
Transferred from profit and loss account (Note 3)	76,465	395,068
At 30 April 2007	<u>471,533</u>	<u>395,068</u>

The deferred tax asset arose due to timing differences between depreciation charged to the accounts and the capital allowances claimed

HOBBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2007**

10. CREDITORS (amounts falling due within one year)

	2007 Stg £	2006 Stg £
Trade creditors (see note below)	673,292	1,066,521
Amounts owed to group undertakings (Note 18)	2,478,177	2,442,771
Amounts owed to connected undertakings (Note 18)	383,351	286,323
Corporation tax	275,723	-
Value added tax	391,196	308,083
Payroll taxes	248,275	235,351
Accrued expenses	1,306,482	1,044,327
	<u>5,756,496</u>	<u>5,383,376</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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2007**

11. 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 £69,552 (2006 £65,960).

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

The costs charged to the profit and loss account in 2007 were £190,558 (2006 £124,944). Actuarial reports are available to members only.

FRS 17 DISCLOSURES

The most recent full valuation was carried out at 6 April 2002. This valuation has been updated by an independent qualified actuary as at 30 April 2007 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:

	2007 % per annum	2,006 % per annum
Discount rate	5.5%	5.1%
Inflation rate	3%	3%
Pensionable salary increases	3.5%	4%
Increase to statutory pensions in deferment	3%	3%

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

	Long term rate of return expected 2007	Value 2007 Stg£'000
Policy of insurance	5.75%	3,228
Total market value of all assets		3,228
Present value of scheme liabilities		(3,810)
Deficit in the scheme		(582)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2007**

11 PENSION COSTS (continued)

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

	2007 Stg£'000	2006 Stg£'000
Chargeable against operating profit		
Current service cost	(159)	(136)
Past service cost	-	-
Gains on settlements and curtailments	-	-
Total operating charge	<u>(159)</u>	<u>(136)</u>
Creditable to other finance income		
Expected return on pension scheme assets	166	142
Interest on pension scheme liabilities	<u>(200)</u>	<u>(171)</u>
Net return	<u>(34)</u>	<u>(29)</u>
Recognisable in the statement of total recognised gains and losses (STRGL)		
Actual return less expected return on pension scheme assets	84	459
Experience gains and losses arising on scheme liabilities	(70)	(56)
Changes in assumptions underlying the present value of liabilities	<u>453</u>	<u>(449)</u>
Actuarial gain (loss) recognisable in STRGL	<u>467</u>	<u>(46)</u>
Movement in deficit during the year		
Deficit in scheme at the beginning of the year	(1,166)	(1,112)
Movement in year		
Current service cost	(159)	(136)
Contributions	310	157
Other finance income	(34)	(29)
Actuarial gain (loss)	<u>467</u>	<u>(46)</u>
Deficit in scheme at end of year	<u>(582)</u>	<u>(1,166)</u>
History of experience gains and losses		
Difference between the expected and the actual return on scheme assets		
Amount (Stg£'000)	84	459
Percentage of scheme assets	3%	16%
Experience gains and losses on scheme liabilities		
Amount (Stg£'000)	(70)	(56)
Percentage of present value of scheme liabilities	2%	1%
Total amount recognisable in STRGL		
Amount (Stg£'000)	453	(449)
Percentage of present value of scheme liabilities	12%	11%

HOBBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2007****12. CALLED UP SHARE CAPITAL**

	2007 Stg £	2006 Stg £
Ordinary shares of £1 each:		
Authorised (100,000 shares)	100,000	100,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid (50,000 shares)	50,000	50,000
	<u> </u>	<u> </u>

13. PROFIT AND LOSS ACCOUNT

	2007 Stg £	2006 Stg £
Balance at beginning of year	4,210,665	2,528,467
Profit for the financial year	1,316,334	1,728,198
Actuarial gain (loss)	467,000	(46,000)
	<u> </u>	<u> </u>
Balance at end of year	5,993,999	4,210,665
	<u> </u>	<u> </u>

14. CASH FLOW STATEMENT**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM
OPERATING ACTIVITIES**

	2007 Stg £	2006 Stg £
Operating profit	1,821,460	1,988,488
Depreciation	1,539,684	1,456,917
Amortisation of goodwill	8,051	40,000
Foreign exchange loss on inter company loans	(4,249)	5,289
Increase in stocks	(19,051)	(5,766)
Increase in debtors	(221,464)	(761,052)
(Decrease)/Increase in creditors	(1,307)	777,933
Profit on disposal of tangible fixed assets	(18,896)	(17,160)
(Decrease)/Increase in pension deficit (exclusive of actuarial gain (loss))	(117,000)	8,000
	<u> </u>	<u> </u>
Net cash inflow from operating activities	2,987,228	3,492,649
	<u> </u>	<u> </u>

HOBBS REPROGRAPHICS PLC

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2007**

15. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Stg £	Stg £
Interest received	<u>69,026</u>	<u>42,646</u>

15.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2007 Stg £	2006 Stg £
Purchase of tangible fixed assets	(1,459,397)	(2,175,179)
Receipts from sale of tangible fixed assets	42,161	42,093
Payments to acquire financial assets	(849,684)	(5)
	<u>(2,266,920)</u>	<u>(2,133,091)</u>

15.3 FINANCING - EXTERNAL

	2007 Stg £	2006 Stg £
Loans advanced by connected undertakings	<u>(4,249)</u>	<u>5,340</u>

15.3 FINANCING - GROUP

	2007 Stg £	2006 Stg £
Amounts advanced by group undertakings	35,406	207,883
Amounts repaid by group undertakings	179,074	-
	<u>214,480</u>	<u>207,883</u>

16. ANALYSIS OF CHANGES IN NET FUNDS

	2006 Stg £	Cash flows Stg £	2007 Stg £
Cash at bank and in hand	1,204,920	753,324	1,958,244
TOTAL	<u>1,204,920</u>	<u>753,324</u>	<u>1,958,244</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2007

17. COMMITMENTS

OPERATING LEASES

Leasing commitments payable during the next twelve months are as follows

	Leasehold property Stg £
Payable on leases which expire	
-within two years	60,416
-within five years	300,768
-after five years	422,754
	<u>783,938</u>

18. RELATED PARTY TRANSACTIONS

18.1 TRANSACTIONS WITH CONNECTED UNDERTAKINGS

	Opening balance £	Advances £	Foreign exchange translation £	Closing balance £
Hackett Dyeline Limited	(213,844)	-	3,173	(210,671)
J D Hackett and Company Limited	(72,479)	(101,277)	1,076	(172,680)
Total	<u>(286,323)</u>	<u>(101,277)</u>	<u>4,249</u>	<u>(383,351)</u>

The above companies are considered to be connected undertakings as the companies have common directors

18.2 TRANSACTIONS WITH GROUP UNDERTAKINGS

As the company is 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

19. CONTINGENT LIABILITIES

The company is contingently liable to HSBC Bank under an unlimited multilateral guarantee in respect of liabilities of fellow group undertakings

HOBS REPROGRAPHICS PLC**SUPPLEMENTARY INFORMATION:
DETAILED COST OF SALES AND OVERHEADS SCHEDULES
FOR THE YEAR ENDED 30 APRIL 2007
(not covered by the report of the auditors)**

	2007 Stg £	2006 Stg £
COST OF SALES		
Opening stocks	493,055	487,289
Purchases and related carriage	4,907,859	4,478,606
	<u>5,400,914</u>	<u>4,965,895</u>
Closing stocks	(512,106)	(493,055)
	<u>4,888,808</u>	<u>4,472,840</u>
 ADMINISTRATIVE EXPENSES		
Wages and salaries	8,040,727	7,357,803
Directors remuneration	891,937	877,033
Directors' pension costs	31,320	30,408
Staff training	22,702	27,201
Finance costs	34,000	29,000
Rent, rates and service charges	1,065,268	962,801
Insurance	110,788	110,710
Light and heat	113,551	75,516
Office cleaning	76,201	67,764
Repairs and maintenance	175,627	275,600
Printing, postage and stationery	62,363	80,147
Advertising and sales promotion	81,322	114,782
Recruitment	99,192	94,652
Telephone and fax	142,962	175,323
Motor and travel expenses	755,223	716,293
Legal and professional fees	104,967	117,227
Auditors' remuneration	32,420	29,780
Bank charges	35,897	34,085
Bad debts	13,720	41,696
Loss on foreign exchange	(4,249)	5,289
General expenses	202,689	130,600
Subscriptions and donations	19,702	24,952
Amortisation of goodwill	8,051	40,000
Profit on disposal of tangible assets	(18,896)	(17,160)
Depreciation	1,539,684	1,456,917
	<u>13,637,168</u>	<u>12,858,419</u>