

HOBS REPROGRAPHICS PLC

YEAR ENDED 30 APRIL 2008

Company Number : 00511368



HOBBS REPROGRAPHICS PLC

**REPORTS AND ACCOUNTS FOR THE YEAR ENDED
30 APRIL 2008**

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
Statement of total recognised gains and losses	11
Reconciliation of movement in shareholders' funds	11
Balance sheet	12
Cash flow statement	13
Notes to the financial statements	14

HOBBS REPROGRAPHICS PLC

DIRECTORS AND OTHER INFORMATION

DIRECTORS:
Joseph Dominic Hackett
Kieran John O'Brien
Joseph Benedict Hackett
David Gordon
Stephen Lacey
Craig Horwood

**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

HOBS REPROGRAPHICS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2008

The directors submit their report together with the audited financial statements for the year ended 30 April 2008.

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 2009 are for further expansion of the company and the continued improvement of the company's trading performance and profitability.

RESULTS, DIVIDENDS AND RETENTIONS

	2008 £	2007 £
The results and appropriations are summarised as follows:-		
Profit for the year, after taxation	2,334,689	1,316,334
Balance at beginning of year	5,993,999	4,210,665
	<u>8,328,688</u>	<u>5,526,999</u>
Actuarial (loss) gain	(777,000)	467,000
Balance at end of year	<u><u>7,551,688</u></u>	<u><u>5,993,999</u></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 7 to the financial statements.

HOBBS REPROGRAPHICS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2008

DIRECTORS AND THEIR INTERESTS

The present membership of the board is set out on page 2.

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

	2008	2007
Ordinary shares of £1 each :		
Kieran John O'Brien	4,034	4,034
Joseph Benedict Hackett	3,025	3,025
	<u> </u>	<u> </u>

On 1 January 2008 David Gordon, Stephen Lacey, Joseph Hazel and Craig Horwood were appointed directors of the company. On 30 April 2008 Joseph Hazel resigned as director.

In accordance with the Articles of Association the directors are not required to retire by rotation.

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.

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.

HOBS REPROGRAPHICS PLC

**DRAFT FOR
APPROVAL AND
SIGNATURE**

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED
30 APRIL 2008**

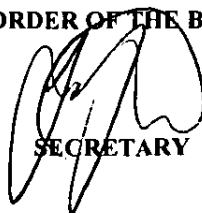
TANGIBLE FIXED ASSETS

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

DATED THIS

25th November 2008

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 8 to 26 which comprise the accounting policies, the profit and loss account, the statement of total recognised gains and losses, the reconciliation of movement in shareholders' funds, the balance sheet, the cash flow statement 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 and 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

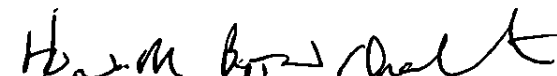
**DRAFT FOR
APPROVAL AND
SIGNATURE**

**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 2008 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: 26 November 2008

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	-	33.33%
----------	---	--------

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 made 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. Deferred tax is provided on a non-discounted basis.

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 2008**

	Notes	2008 Stg £	2007 Stg £
TURNOVER		22,235,131	20,347,436
COST OF SALES		(5,372,087)	(4,888,808)
GROSS PROFIT		<u>16,863,044</u>	<u>15,458,628</u>
ADMINISTRATIVE EXPENSES		(14,630,160)	(13,637,168)
OPERATING PROFIT	1	2,232,884	1,821,460
EXCEPTIONAL ITEM	3	127,563	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		<u>2,360,447</u>	<u>1,821,460</u>
BANK INTEREST RECEIVABLE		100,194	69,026
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>2,460,641</u>	<u>1,890,486</u>
TAXATION	4	(125,952)	(574,152)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR	14	<u><u>2,334,689</u></u>	<u><u>1,316,334</u></u>

All of the turnover and results arise from continuing operations.

HOBS REPROGRAPHICS PLC**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 APRIL 2008**

	2008 Stg £	2007 Stg £
Profit on ordinary activities for the year	2,334,689	1,316,334
Actuarial (loss) gain on defined benefit pension scheme (Note 12)	(777,000)	467,000
TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR	<u>1,557,689</u>	<u>1,783,334</u>

**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS FOR THE YEAR
ENDED 30 APRIL 2008**

	2008 Stg £	2007 Stg £
Profit for the financial year	2,334,689	1,316,334
Actuarial (loss) gain for the year (Note 12)	(777,000)	467,000
Opening shareholders' funds	6,043,999	4,260,665
Closing shareholders' funds	<u>7,601,688</u>	<u>6,043,999</u>

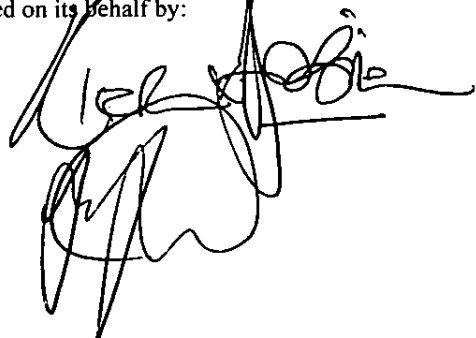
HOBBS REPROGRAPHICS PLC

**DRAFT FOR
APPROVAL AND
SIGNATURE**

BALANCE SHEET AS AT 30 APRIL 2008

	Note	2008 Stg £	2007 Stg £
FIXED ASSETS			
Intangible assets	5	40,256	64,409
Tangible assets	6	3,018,681	3,289,229
Financial assets	7	1,284,689	849,769
		<u>4,343,626</u>	<u>4,203,407</u>
CURRENT ASSETS			
Stocks	8	527,769	512,106
Debtors	9	6,926,756	5,708,738
Cash at bank and in hand		2,776,297	1,958,244
		<u>10,230,822</u>	<u>8,179,088</u>
CREDITORS (Amounts falling due within one year)	11	<u>(6,332,760)</u>	<u>(5,756,496)</u>
NET CURRENT ASSETS		<u>3,898,062</u>	<u>2,422,592</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,241,688</u>	<u>6,625,999</u>
RETIREMENT BENEFIT SCHEME DEFICIT	12	<u>(640,000)</u>	<u>(582,000)</u>
TOTAL NET ASSETS		<u><u>7,601,688</u></u>	<u><u>6,043,999</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	50,000	50,000
Profit and loss account	14	7,551,688	5,993,999
SHAREHOLDERS' FUNDS		<u><u>7,601,688</u></u>	<u><u>6,043,999</u></u>

The financial statements were approved and authorised for issue by the board of directors on 25/1/08 and signed on its behalf by:

)
Director)

HOBBS REPROGRAPHICS PLC**CASH FLOW STATEMENT FOR THE YEAR ENDED
30 APRIL 2008**

	Note	2008 Stg £	2007 Stg £
NET CASH INFLOW FROM OPERATING ACTIVITIES	15	3,120,790	2,987,228
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	16	100,194	69,026
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	16	(1,703,444)	(2,266,920)
TAXATION PAID		(1,055,375)	(246,241)
		<u>462,165</u>	<u>543,093</u>
FINANCING - EXTERNAL	16	121,718	(4,249)
FINANCING - GROUP	16	234,170	214,480
INCREASE IN CASH IN THE YEAR	17	<u>818,053</u>	<u>753,324</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS

INCREASE IN CASH IN THE YEAR	17	818,053	753,324
NET FUNDS AT BEGINNING OF YEAR	17	<u>1,958,244</u>	<u>1,204,920</u>
NET FUNDS AT END OF YEAR	17	<u>2,776,297</u>	<u>1,958,244</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

1. OPERATING PROFIT

Operating profit is stated after charging(crediting):

	2008 Stg £	2007 Stg £
Directors' emoluments:		
- For management	1,501,448	891,937
- Pension costs	56,482	31,320
Amortisation of goodwill	24,153	8,051
Depreciation of tangible assets	1,559,727	1,539,684
Profit on disposal of tangible fixed assets	(20,655)	(18,896)
Operating leases:		
- Land and buildings	1,030,988	976,732
- Plant and machinery	22,286	23,666
Auditors' remuneration	35,580	32,420

The directors emoluments disclosed above includes £1,042,5556 for management and £32,785 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 301 (2007 : 296).

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

	2008 Stg £	2007 Stg £
Wages and salaries	8,368,159	7,948,316
Social welfare costs	700,289	739,348
Pension costs	332,920	260,110
Redundancy costs	104,510	16,210
	<u>9,505,878</u>	<u>8,963,984</u>

Wages and salaries includes £121,718 (2006: £101,277) which has been recharged from a fellow group undertaking, J.D. Hackett and Company Limited, in respect of the Finance Director, Joseph Benedict Hackett.

3. EXCEPTIONAL ITEM

The exceptional item relates to a loan forgiven by a connected company (note 19).

HOBBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

4. TAXATION

	2008 Stg £	2007 Stg £
Analysis of tax charge in the period :		
<i>Current tax:</i>		
UK Corporation tax	643,002	656,447
Tax underprovided (overprovided) in prior year	64,652	(5,830)
<i>Total current tax</i>	<u>707,654</u>	<u>650,617</u>
Deferred tax (Note 10)	(581,702)	(76,465)
Total tax on profit on ordinary activities for the year	<u>125,952</u>	<u>574,152</u>

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

	2008 Stg £	2007 Stg £
Profit on ordinary activities before tax	<u>2,460,641</u>	<u>1,890,486</u>
Taxation at standard rate of 30%	738,192	567,146
Factors affecting charge:		
Depreciation and amortisation charged in excess of capital allowances	77,160	56,490
Other short term timing differences	72,351	17,772
Income not taxable for tax purposes	(238,504)	-
Non trade financial income	-	20,708
Profit on disposals of fixed assets	(6,197)	(5,669)
Current tax charge for the year	<u>643,002</u>	<u>656,447</u>

HOBS REPROGRAPHICS PLC

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008**

**5. INTANGIBLE ASSET
GOODWILL**

	Stg £
COST	
At 1 May 2007	72,460
At 30 April 2008	<u>72,460</u>
AMORTISATION	
At 1 May 2007	8,051
Charge for the year	<u>24,153</u>
At 30 April 2008	<u>32,204</u>
NET BOOK VALUE	
At 30 April 2008	<u>40,256</u>
At 30 April 2007	<u>64,409</u>

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

6. 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 2007	309,304	1,065,926	8,033,852	259,910	1,023,404	10,692,396
Additions	-	101,404	922,335	62,202	210,649	1,296,590
Write off of assets	-	(86,828)	(2,564,262)	-	(66,686)	(2,717,776)
Disposals	-	-	-	-	(76,345)	(76,345)
At 30 April 2008	309,304	1,080,502	6,391,925	322,112	1,091,022	9,194,865
DEPRECIATION						
At 1 May 2007	86,604	465,467	6,133,783	133,660	583,653	7,403,167
Charge for the year	12,372	200,722	1,057,524	64,033	225,076	1,559,727
Write off of assets	-	(86,828)	(2,564,262)	-	(66,686)	(2,717,776)
Disposals	-	-	-	-	(68,934)	(68,934)
At 30 April 2008	98,976	579,361	4,627,045	197,693	673,109	6,176,184
NET BOOK VALUE						
At 30 April 2008	210,328	501,141	1,764,880	124,419	417,913	3,018,681
At 30 April 2007	222,700	600,459	1,900,069	126,250	439,751	3,289,229

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.

HOBBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008****7. FINANCIAL ASSETS**

	2008	2007
	Stg £	Stg £
Balance at beginning of year	849,769	85
Additions	434,920	849,684
Balance at end of year	<u>1,284,689</u>	<u>849,769</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 year ended 30 April 2007 : £298,397
Shareholders' funds at 30 April 2007 : £302,180

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
Proportion of Holding: 100%
Profit for the year ended 30 April 2007 : £51,669
Shareholders' funds at 30 April 2007 : £396,806

Name of Company: Copy Right Reprographics Limited
Nature of business: Reprographic Services
Registered Office: 7 Water Court, 10D St. Paul's Square, Birmingham, B3 1HP
Country of Incorporation: United Kingdom
Description of holding: Ordinary shares of £1 each
Proportion of Holding: 100%
Profit for the year ended 31 March 2007 : £32,621
Shareholders' funds at 31 March 2007 : £66,442

HOBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008****8. STOCKS**

	2008	2007
	Stg £	Stg £
Goods and consumables	<u>527,769</u>	<u>512,106</u>

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

9. DEBTORS

	2008	2007
	Stg £	Stg £
Amounts falling due within one year:		
Trade debtors	5,061,246	4,411,732
Amounts owed by group undertakings (Note 19)	322,821	356,374
Deferred tax asset (Note 10)	1,053,235	471,533
Corporation tax refundable	71,998	-
Other debtors	19,367	26,290
Prepayments	398,089	442,809
	<u>6,926,756</u>	<u>5,708,738</u>

10. DEFERRED TAXATION ASSET

	2008	2007
	£	£
At 1 May 2007	471,533	395,068
Transferred from profit and loss account (Note 4)	581,702	76,465
At 30 April 2008	<u>1,053,235</u>	<u>471,533</u>

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

HOBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008**

11. CREDITORS (amounts falling due within one year)

	2008 Stg £	2007 Stg £
Trade creditors (see note below)	787,877	673,292
Amounts owed to group undertakings (Note 19)	2,678,794	2,478,177
Amounts owed to connected undertakings (Note 19)	437,078	383,351
Corporation tax	-	275,723
Value added tax	463,157	391,196
Payroll taxes	283,306	248,275
Accrued expenses	1,682,548	1,306,482
	<u>6,332,760</u>	<u>5,756,496</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.

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

12. PENSIONS

The company operates a defined benefit and defined contribution pension scheme for employees which the company insures. The assets of the scheme are held in separate trustee administered funds.

Defined benefit scheme:

Amounts recognised in the balance sheet:

	2008 Stg£ '000	2007 Stg£ '000
Present value of funded obligations	(4,597)	(3,810)
Fair value of plan assets	3,957	3,228
	<u>(640)</u>	<u>(582)</u>
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
	<u>(640)</u>	<u>(582)</u>
Deficit	(640)	(582)
Related deferred tax asset	-	-
	<u>(640)</u>	<u>(582)</u>
Net liability	<u>(640)</u>	<u>(582)</u>
Amounts in the balance sheet		
Liabilities	(640)	(582)
Assets	-	-
	<u>(640)</u>	<u>(582)</u>
Net liability	<u>(640)</u>	<u>(582)</u>

Amounts reported in the performance statements:

	2008 Stg£ '000	2007 Stg£ '000
Current service cost	121	159
Interest on obligation	214	200
Expected return on plan assets	(198)	(166)
Past service cost	-	-
Losses (gains) on curtailment and settlements	-	-
	<u>137</u>	<u>193</u>
Total cost recognised	<u>137</u>	<u>193</u>
Actual return less expected return on plan assets	<u>(355)</u>	<u>84</u>

Changes in present value of the defined benefit obligation

	2008 Stg£ '000	2007 Stg£ '000
Opening defined benefit obligation	3,810	4,033
Service cost	121	159
Interest cost	214	200
Actuarial loss/(gain)	421	(383)
Employee Contributions	31	31
Benefits paid	-	(230)
	<u>4,597</u>	<u>3,810</u>
Closing defined benefit obligation	<u>4,597</u>	<u>3,810</u>

HOBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008****12. FRS 17 DISCLOSURE CONTINUED****Changes in the fair value of plan assets**

	2008	2007
	Stg£ '000	Stg£ '000
Opening fair value of plan assets	3,228	2,867
Expected return	198	166
Actuarial (loss)/gain	(355)	84
Contributions by employer	855	310
Contributions by employee	31	31
Benefits paid	-	(230)
Closing asset valuation	<u>3,957</u>	<u>3,228</u>

The major categories of the plan assets as a percentage of total plan assets are as follows:

	2008	2007
Equities	0.00%	0.00%
Fixed Interest	0.00%	0.00%
Property	0.00%	0.00%
Cash	0.00%	0.00%
Other	100.00%	100.00%
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the balance sheet date:

	2008	2007
Discount rate	6.10%	5.50%
Future salary increases	4.70%	3.50%
Inflation rate	3.70%	3.00%
Increases to statutory pensions in deferment	3.70%	3.00%
Expected return on plan assets	6.10%	5.75%

HOBS REPROGRAPHICS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

12. FRS 17 DISCLOSURE CONTINUED

Amounts for current and previous four periods are as follows:

	2008 Stg£ '000	2007 Stg£ '000	2006 Stg£ '000	2005 Stg£ '000	2004 Stg£ '000
Defined benefit obligation	(4,597)	(3,810)	(4,033)	(3,229)	(2,633)
Plan assets	3,957	3,228	2,867	2,117	1,819
Deficit	<u>(640)</u>	<u>(582)</u>	<u>(1,166)</u>	<u>(1,112)</u>	<u>(814)</u>
Experience adjustments on plan liabilities	<u>(30)</u>	<u>(70)</u>	<u>(56)</u>	<u>23</u>	<u>(81)</u>
Experience adjustments on plan assets	<u>(355)</u>	<u>84</u>	<u>459</u>	<u>1</u>	<u>90</u>
Total actuarial gains/(losses) recognised in STRGL	<u>(777)</u>	<u>467</u>	<u>(46)</u>	<u>(294)</u>	<u>(63)</u>
The cumulative amount of actuarial gains/losses recognised in the STRGL	<u>(713)</u>	<u>64</u>	<u>(403)</u>	<u>(357)</u>	<u>(63)</u>

Defined contribution scheme:

The assets of the scheme are held separately from those of the company in an independently administered fund.

Pension Costs

The pension cost charged in respect of the schemes for the year was €332,920 (2007 : €260,110).

13. CALLED UP SHARE CAPITAL

	2008 Stg £	2007 Stg £
Ordinary shares of £1 each:		
Authorised (100,000 shares)	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid (50,000 shares)	<u>50,000</u>	<u>50,000</u>

HOBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008****14. PROFIT AND LOSS ACCOUNT**

	2008 Stg £	2007 Stg £
Balance at beginning of year	5,993,999	4,210,665
Profit for the financial year	2,334,689	1,316,334
Actuarial (loss) gain	(777,000)	467,000
Balance at end of year	<u>7,551,688</u>	<u>5,993,999</u>

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

	2008 Stg £	2007 Stg £
Operating profit	2,232,884	1,821,460
Depreciation	1,559,727	1,539,684
Amortisation of goodwill	24,153	8,051
Foreign exchange loss (profit) on inter company loans	59,572	(4,249)
Increase in stocks	(15,663)	(19,051)
Increase in debtors	(597,871)	(221,464)
Increase/(decrease) in creditors	597,643	(1,307)
Profit on disposal of tangible fixed assets	(20,655)	(18,896)
Decrease in pension deficit (exclusive of actuarial gain (loss))	(719,000)	(117,000)
Net cash inflow from operating activities	<u>3,120,790</u>	<u>2,987,228</u>

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

	2008 Stg £	2007 Stg £
Interest received	<u>100,194</u>	<u>69,026</u>

HOBS REPROGRAPHICS PLC

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008**

16.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2008 Stg £	2007 Stg £
Purchase of tangible fixed assets	(1,296,590)	(1,459,397)
Receipts from sale of tangible fixed assets	28,066	42,161
Payments to acquire financial assets	(434,920)	(849,684)
	<u>(1,703,444)</u>	<u>(2,266,920)</u>

16.3 FINANCING - EXTERNAL

	2008 Stg £	2007 Stg £
Loans advanced by (to) connected undertakings	<u>121,718</u>	<u>(4,249)</u>

16.3 FINANCING - GROUP

	2008 Stg £	2007 Stg £
Amounts advanced by group undertakings	234,170	35,406
Amounts repaid by group undertakings	-	179,074
	<u>234,170</u>	<u>214,480</u>

17. ANALYSIS OF CHANGES IN NET FUNDS

	2007 Stg £	Cash flows Stg £	2008 Stg £
Cash at bank and in hand	1,958,244	818,053	2,776,297
TOTAL	<u>1,958,244</u>	<u>818,053</u>	<u>2,776,297</u>

HOBBS REPROGRAPHICS PLC**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 APRIL 2008****18. 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	38,810
-within five years	257,441
-after five years	504,021
	<u>800,272</u>

19. RELATED PARTY TRANSACTIONS**19.1 TRANSACTIONS WITH CONNECTED UNDERTAKINGS**

	Opening balance £	Advances £	Loan forgiven £	Foreign exchange translation £	Closing balance £
Hackett Dyeline Limited	(210,671)	-	127,563	(32,745)	(115,853)
J.D. Hackett and Company Limited	(172,680)	(121,718)	-	(26,827)	(321,225)
Total	<u>(383,351)</u>	<u>(121,718)</u>	<u>127,563</u>	<u>(59,572)</u>	<u>(437,078)</u>

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

19.2 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.

20. CONTINGENT LIABILITIES

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