

KEENE REPRO LIMITED
CONSOLIDATED ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007

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COMPANIES HOUSE

KEENE REPRO LIMITED

DIRECTORS AND ADVISERS

Directors

F E Keene
J P Keene
A M Ashton
A J Gladden

Secretary

F E Keene

Company number

979521

Registered office

33/41 Dallington Street
London
EC1V 0BB

Registered Auditors

Morley and Scott
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

Business address

33/41 Dallington Street
London
EC1V 0BB

Bankers

Lloyds TSB plc
Thavies Inn House
6 Holborn Circus
London
EC1N 2HP

KEENE REPRO LIMITED

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KEENE REPRO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2007

The directors present their report and group financial statements of the company for the year ended 30 June 2007

Principal activities and review of the business

The principal activity of the group during the year was the provision of pre-media services

Business Review

This year our sales have increased and we made a profit for the period, after tax. There were two main reasons for the increased sales, both having a direct result on our gross margins over the previous period

- I The increase in direct sales
- II Lower outwork charges

We continue to examine the extra costs of running the business. In particular, utility, fuel and insurance costs have risen substantially in recent years. Programmes have been put in place to reduce the impact of these increases. The group also faces additional payroll costs. We are constantly analysing our production processes to achieve the most cost effective and efficient methods to maintain our margins and competitive pricing.

The result of all this activity is, we believe, that the group is in a healthier position than it was last year at this time – delivering greater corporate agility. Moreover, by implementing Key Performance Indicators and Service Level Agreements we are able to measure our success and growth through our clients' satisfaction.

Employees

We continue to develop our staff using both external and in-house resources. Programmes are developed around both business needs and human resource development and growth. A staff appraisal system was introduced in 2006, identifying resource weaknesses and strengths. Subsequent individual and company, measurable development plans are drawn up and implemented.

It is important that our customer-facing representatives are able to deliver a professional and friendly service and employees are encouraged to engage with customers to gain feedback on our activities. Where possible, we promote from within our organisation. The group operates a defined contribution pension scheme for the benefit of its employees.

Environment

Keenes' Environment Policy was first adopted in 2000. The policy is a key document, which details the commitment of Keenes to "promote in the full range of its activities, environmentally sound and sustainable development". Keenes attach particular importance to promoting energy and resource efficiency, waste reduction and recycling – encouraging its suppliers to be like-minded.

We continue to monitor activities, through Environmental Impact Assessment that could lead to a detrimental impact. We have engaged the services of environmental consultants to augment our internal capability and we undertake site environmental surveys in order to identify and neutralise our Carbon Footprint. To this extent, many of our clients are encouraged to be more environmentally aware and consider electronic alternatives, as opposed to conventional paper means.

Health and Safety

A comprehensive Health and Safety Policy has been in place for a number of years. The appointed Health and Safety Officer liaises with the General Works Manager and site-based safety representatives organising health, safety and risk assessment training and courses as appropriate. In addition, we use external experts as and when required.

KEENE REPRO LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2007

Risks facing the business

Increasing demands for price reductions place our business sector under pressure and the challenge is to achieve lower costs whilst maintaining service levels and quality. The production window has become narrower as the media buying process has become more responsive to shorter print scheduling. As a consequence speed to market has increasingly become an issue. Consequently we are asked to provide transparent processes and reporting mechanisms that have previously been unavailable to clients. The challenge facing our business is to provide greater efficiency whilst maintaining a pricing model that provides for growth and development of future more diverse services.

The chief market risks we face are

- i The ability to grow a profitable client base in an increasingly price conscious market place
- ii To avoid the threat of lower cost European production agencies
- iii To remain dynamic and respond to new business sectors

Financial Review

Profits

The operating profits for the period were £673,295 (2006 Operating loss of £120,204)

Cash Generation

The group generated cash from operating activities of £677,562 (2006 Operating cash inflow of £140,411). Net capital expenditure was £105,374 (2006 £142,343) and is below the level of annual depreciation of £167,767 (2006 £207,933). Our stock levels were below that of £39,774 (2006 £29,772).

Currency Exposures

The group has minimal exposure to foreign currency in both sales and purchases.

Taxation

The group has no estimated losses this year (2006 £87,950) available for carry forward against future profits.

Going concern

The directors have a reasonable expectation that the group has enough resources to continue in operational existence for the foreseeable future. The directors have prepared projections which indicate an improvement in the financial performance of the business and considered the actual performance since the period end.

Results and dividends

The consolidated profit and loss account for the year is set out on page 5.

Directors

The following directors have held office since 1 July 2006:

F E Keene
J P Keene
A M Ashton
A J Gladden

KEENE REPRO LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 30 JUNE 2007

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing Morley and Scott be re-appointed as auditors of the company will be put to the Annual General Meeting

Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the auditor

- a) So far as the directors are aware, there is no relevant audit information of which the auditors are unaware, and
- b) They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board

J P Keene
Director



Date

6/9/07

KEENE REPRO LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KEENE REPRO LIMITED

We have audited the financial statements of Keene Repro Limited for the year ended 30 June 2007 on pages 6 to 19. 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 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 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

The directors' responsibilities for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 and group 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 and group is not disclosed.

We read the other information contained in the Directors' Report, and consider whether it is consistent with the audited financial statements, consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

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 and the group'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 the 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.

KEENE REPRO LIMITED

INDEPENDENT AUDITORS' REPORT (continued) TO THE SHAREHOLDERS OF KEENE REPRO LIMITED

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 and the group's affairs as at 30 June 2007 and the group's profit for the year then ended,
- The financial statements have been properly prepared in accordance with the Companies Act 1985, and
- The information given in the Directors Report is consistent with the financial statements



Morley and Scott

Chartered Accountants
Registered Auditor

Date 7th SEPTEMBER 2007

Lynton House
7-12 Tavistock Square
London
WC1H 9LT

KEENE REPRO LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2007

	Notes	2007 £	2006 £
Turnover	2	5,074,810	4,733,601
Cost of sales		(2,390,054)	(2,751,910)
Gross profit		2,684,756	1,981,691
Distribution costs		(197,267)	(129,743)
Administrative expenses		(1,883,972)	(1,975,152)
Other operating income		3,000	3,000
Operating profit/(loss)	3	606,517	(120,204)
Other interest receivable and similar income		25,093	20,581
Interest payable and similar charges		-	(37)
Profit/(Loss) on ordinary activities before taxation		631,610	(99,660)
Tax on (loss)/profit on ordinary activities	4	(181,740)	(1,188)
Profit/(Loss) for the year	13	449,870	(100,848)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

KEENE REPRO LIMITED

BALANCE SHEETS AS AT 30 JUNE 2007

	Notes	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Fixed assets					
Intangible assets	6	-	(1,864)	-	-
Tangible assets	7	255,189	381,018	255,189	377,694
Investments	8	-	-	14,018	66,191
		<u>255,189</u>	<u>379,154</u>	<u>269,207</u>	<u>443,885</u>
Current assets					
Stocks		39,774	38,546	39,774	29,772
Debtors	9	1,201,372	1,184,704	1,219,674	1,265,591
Cash at bank and in hand		1,202,414	656,457	1,170,094	279,418
		<u>2,443,560</u>	<u>1,879,707</u>	<u>2,429,542</u>	<u>1,574,781</u>
Creditors: amounts falling due within one year	10	(589,537)	(573,843)	(589,537)	(528,261)
		<u>1,854,023</u>	<u>1,305,864</u>	<u>1,840,005</u>	<u>1,046,520</u>
Net current assets					
Creditors: amounts falling due after more than one year		-	(25,676)	-	(25,676)
		<u>2,109,212</u>	<u>1,659,342</u>	<u>2,109,212</u>	<u>1,464,729</u>
Capital and reserves					
Called up share capital	12	1,700	1,700	1,700	1,700
Capital redemption reserve	13	300	300	300	300
Profit and loss account	13	2,107,212	1,657,342	2,107,212	1,462,729
		<u>2,109,212</u>	<u>1,659,342</u>	<u>2,109,212</u>	<u>1,464,729</u>
Shareholders' funds	14	<u>2,109,212</u>	<u>1,659,342</u>	<u>2,109,212</u>	<u>1,464,729</u>

The financial statements were approved by the board on 6/9/07

J P Keene
Director



KEENE REPRO LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	2007		2006	
	£	£	£	£
Net cash inflow from operating activities (Note 1)		677,562		140,211
Returns on investments and servicing of finance				
Interest received	25,093		20,581	
Interest paid	-		(37)	
Net cash inflow for returns on investments and servicing of finance		25,093		20,544
Taxation		27		(11,103)
Capital expenditure and financial investment				
Payments to acquire tangible assets	(110,924)		(154,842)	
Receipts from sale of tangible assets	5,550		12,499	
Net cash inflow/(outflow) from capital expenditure		(105,374)		(142,343)
Financing				
Capital element of finance lease contracts		(51,351)		(38,514)
Increase in cash in the year		(545,957)		(31,205)

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

1	Reconciliation of operating profit to net cash inflow from operating activities	2007 £	2006 £
	Operating profit/loss	606,519	(120,204)
	Depreciation of tangible assets	169,767	212,102
	Amortisation of negative goodwill	(1,864)	(7,249)
	Loss on disposal of tangible assets	61,433	10,317
	(Increase)/decrease in stocks	(1,228)	9,695
	(Increase)/decrease in debtors	(16,668)	143,596
	Decrease/(increase) in creditors	(140,397)	(108,046)
	Net cash inflow from operating activities	677,562	140,211
2	Analysis of net debt		
		1 July 2006 £	30 June 2007 £
	Cash at bank and in hand	656,457	1,202,414
3	Reconciliation of net cash flow to movement in net funds	2007 £	2006 £
	Increase in cash in the period	545,957	(31,205)
	Opening net funds	656,457	687,662
	Closing net funds	1,202,414	656,457

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertaking made up to 30 June 2007

1.4 Turnover

Turnover represents amounts receivable for goods sold, services provided and rental income net of VAT and trade discounts

1.5 Goodwill

On the acquisition of a business fair values are attributed to its net tangible assets. Where the cost of acquisition exceeds the values attributed to such assets, the difference is treated as purchased goodwill. Where the cost of acquisition is less than the fair values attributed to such assets, the difference is treated as negative goodwill. Negative goodwill is recognised in the profit and loss account in the periods which the non-monetary assets acquired are recovered

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Land and buildings leasehold (short)	Straight line over the length of the lease
Plant and machinery	20% straight line
Fixtures, fittings and computers	20% to 25% straight line
Motor vehicles	25% straight line

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.8 Stock

Stock is valued at the lower of cost and estimated net realisable value

1.9 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

2 Turnover

The total turnover of the group for the period has been derived from its principal activity undertaken in the United Kingdom, America and Europe

3 Operating Profit/(loss)

	2007 £	2006 £
Operating loss is stated after charging/(crediting)		
Depreciation of tangible assets	169,767	212,101
Operating leasing rentals		
- Other assets	248,060	248,060
Amortisation of intangible assets	(1,864)	(7,249)
Auditors' remuneration	14,500	18,500

4 Taxation

	2007 £	2006 £
U.K. current year taxation		
U K corporation tax	181,767	-
Adjustment for prior years	(27)	1,188
	<u>181,740</u>	<u>1,188</u>
Current charge		
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	631,610	(99,660)
	<u> </u>	<u> </u>
Profit/(loss) on ordinary activities before being multiplied by standard rate of UK corporation tax of 30% (2006 19%)	189,483	(18,935)
	<u> </u>	<u> </u>
Effects of		
Non deductible expenses	32,196	3,060
Depreciation	50,930	38,922
Capital allowances	(59,101)	(43,239)
Other tax adjustments	(23,786)	19,898
(Profit)/Loss on sale of fixed assets	18,430	294
Losses utilised	(26,385)	-
Adjustments to previous periods	(27)	1,188
	<u>(7,743)</u>	<u>20,123</u>
	<u> </u>	<u> </u>
Current tax charge	<u>181,740</u>	<u>1,188</u>

At the year end, the company had a deferred tax asset amounting to £60,000 (2006 £90,000)

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

5 Loss for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit/(loss) for the financial year is made up as follows

2007 £	2006 £
711,261	(92,144)
<u>711,261</u>	<u>(92,144)</u>

6 Intangible fixed assets

Group

Negative Goodwill £

Cost

On acquisition of subsidiaries and at 1 July 2006 and 30 June 2007

(44,002)

Amortisation

Released amortisation brought forward

42,138

Released for year ending 30 June 2007

1,864

42,002

Net book value

At 30 June 2007

-

At 30 June 2006

(1,864)

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

7 Tangible fixed assets					
Group	Land and buildings leasehold (short) £	Plant and equipment £	Fixtures, fittings and computers £	Motor vehicles £	Total £
Cost or valuation					
At 1 July 2006	257,160	2,274,472	358,769	205,727	3,096,128
Additions	5,576	79,931	9,790	18,743	114,040
Disposals	(218,790)	(1,551,262)	(286,301)	(23,427)	(2,079,780)
At 30 June 2007	43,946	803,141	82,258	201,043	1,130,388
Depreciation					
At 1 July 2006	240,231	1,987,973	338,405	148,501	2,715,110
Charge for the year	5,436	121,627	13,653	29,051	169,767
On disposals	(218,790)	(1,481,832)	(285,629)	(23,427)	(2,009,678)
At 30 June 2007	26,877	627,768	66,429	154,125	875,199
Net book value					
At 30 June 2007	17,069	175,373	15,829	46,918	255,189
At 30 June 2006	16,929	286,499	20,364	57,226	381,018
Company	Land and buildings leasehold (short) £	Plant and equipment £	Fixtures, fittings and computers £	Motor vehicles £	Total £
Cost or valuation					
At 1 July 2006	257,160	2,210,020	356,181	205,727	3,029,088
Additions	5,576	79,931	9,790	18,743	114,040
Disposals	(218,790)	(1,486,812)	(283,713)	(23,427)	(2,012,742)
At 30 June 2007	43,946	803,139	82,258	201,043	1,130,386
Depreciation					
At 1 July 2006	240,231	1,926,173	336,489	148,501	2,651,394
Charge for the year	5,436	121,627	13,653	29,051	169,767
On disposals	(218,790)	(1,420,034)	(283,713)	(23,427)	(1,945,964)
At 30 June 2007	26,877	627,766	66,429	154,125	875,197
Net book value					
At 30 June 2007	17,069	175,373	15,829	46,918	255,189
At 30 June 2006	16,929	283,847	19,692	57,226	377,694

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

7 Tangible fixed assets (continued)

Included on the previous page are assets held under finance leases or hire purchases contracts as follows

	Plant and machinery £
Net book values	
At 30 June 2007	-
At 30 June 2006	377,694
Depreciation charge for the year	
At 30 June 2007	-
At 30 June 2006	207,933

8 Fixed asset investments

Company	Unlisted investments £
Cost	
At 1 July 2006	66,191
Additions	-
Permanent diminution	(52,173)
At 30 June 2007	14,018

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Anton Graphics Limited	England & Wales	Ordinary	100
		Capital and reserves 2007 £	Loss for the year 2007 £
Anton Graphics Limited		14,018	(25,650)

The trading activity and undertaking of Anton Graphics Limited was transferred to Keene Repro Limited on the 1 July 2006

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

9 Debtors	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Trade debtors	1,003,763	1,010,906	1,022,065	1,092,859
Other debtors	23,489	29,534	23,489	29,534
Prepayments and accrued income	174,120	144,264	174,120	143,198
	<u>1,201,372</u>	<u>1,184,704</u>	<u>1,219,674</u>	<u>1,265,591</u>
10 Creditors amounts falling due within one year	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Net obligations under finance lease and hire purchase contracts	25,676	51,351	25,676	51,351
Trade creditors	125,902	169,520	125,902	168,005
Taxes and social security costs	383,375	199,548	383,375	185,231
Directors current accounts	3,305	19,693	3,305	19,693
Accruals and deferred income	51,279	133,731	51,279	103,981
	<u>589,537</u>	<u>573,843</u>	<u>589,537</u>	<u>528,261</u>
Creditors amounts falling due after more than one year				
Net obligations under finance lease				
Repayable within one year	25,676	51,351	25,676	51,351
Repayable between one and five years	-	25,676	-	25,676
	<u>25,676</u>	<u>77,027</u>	<u>25,676</u>	<u>77,027</u>
Included in liabilities falling due within one year	(25,676)	(51,351)	(25,676)	(51,351)
	<u>-</u>	<u>25,676</u>	<u>-</u>	<u>25,676</u>

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

11 Pension costs

Company

The company now operates a defined contribution pension scheme. The company previously operated a defined benefit scheme for its employees, that has been closed since 1 April 1994. The last actuarial valuation carried out by an independent firm of qualified actuaries on 1 December 1998 indicated that there was no funding surplus or deficit. As a result there has been no change in the financial statements relating to this scheme (2006 £nil). However, should market conditions or circumstances change that significantly reduce the value of the assets of the scheme, the company may need to make future funding arrangements.

Defined contribution	2007 £	2006 £
Contributions payable by the company for the year	217,207	202,510

12 Share capital

	2007 £	2006 £
Authorised		
2,000 Ordinary shares of £1 each	2,000	2,000
Allotted, called up and fully paid		
1,700 Ordinary shares of £1 each	1,700	1,700

13 Statement of movements on reserves

Group	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2006	300	1,657,342
Retained profit for the year	-	449,870
Balance at 30 June 2007	300	2,107,212
Capital redemption reserve		
Balance at 1 July 2006 and 30 June 2007	300	

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

Company	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2006	300	1,462,729
Retained loss for the year	-	644,483
Balance at 30 June 2007	300	2,107,212
Capital redemption reserve		
Balance at 1 July 2006 and 30 June 2007	300	
14 Reconciliation of movements in shareholders' funds		
		2007
Group		£
Profit for the financial year		449,870
Opening shareholders' funds		1,659,342
Closing shareholders' funds		2,109,212
		2007
Company		£
Profit for the financial year		644,483
Opening shareholders' funds		1,464,729
Closing shareholders' funds		2,109,212
15 Financial commitments		
At 30 June 2007 the company had annual commitments under non-cancellable operating leases as follows		
	Land and buildings	
	2007	2006
	£	£
Expiry date		
Within one year	14,000	316,639

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

16 Directors' emoluments

Company	2007 £	2006 £
Emoluments for qualifying services	221,017	258,334
Company pension contributions to money purchase schemes	37,256	20,583
	<u>258,273</u>	<u>278,917</u>
Emoluments disclosed above include the following amounts paid to the highest paid director		
Emoluments for qualifying services	<u>109,334</u>	<u>103,418</u>

The number of directors for whom retirement benefits are accruing under money purchase pension scheme amounted to 3 (2006 – 4)

17 Transactions with directors

Company

The following directors had interest free loans during the year The movement on these loans are as follows

	Amount outstanding		Maximum in
	2007	2006	Year
	£	£	£
F E Keene (credit balance)	(681)	(17,769)	(17,769)
A Gladden (debit balance)	7,525	9,625	9,625
A Ashton (credit balance)	(2,624)	(1,924)	(2,624)

KEENE REPRO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 JUNE 2007

18 Employees

Group

Number of employees

The average monthly number of employees (including directors) during the year was

	2007 Number	2006 Number
Directors	4	4
Administration	18	21
Production	49	44
	<u>71</u>	<u>69</u>

Group

Employment costs

	2007 £	2006 £
Wages and salaries	2,240,631	2,278,354
Social security costs	244,124	242,339
Other pension costs	217,207	202,510
	<u>2,701,962</u>	<u>2,723,203</u>

19 Control

Group

The ultimate controlling party this year and last is F E Keene