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COMPANY REGISTRATION NUMBER 00979521

KEENE REPRO LIMITED

FINANCIAL STATEMENTS

30 JUNE 2008

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KEENE REPRO LIMITED
FINANCIAL STATEMENTS
AS AT 30 JUNE 2008

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KEENE REPRO LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 30 JUNE 2008

Company registration number	00979521
The board of directors	Mr J Graham Mr W W Sidwell Mr C A Anzarut Mr J Keene
Company secretary	Mr J Graham
Registered office	7 Curtain Road London EC2A 3LT
Auditor	Sayers Butterworth LLP 18 Bentinck Street London W1U 2AR
Bankers	Lloyds TSB Holborn Circus Thavies Inn House 6 Holborn Circus London EC1N 2HP
Solicitors	Thomas Eggar LLP The Corn Exchange Baffin's Lane Chichester West Sussex PO19 1GE

KEENE REPRO LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

The directors present their report and financial statements for the year ended 30 June 2008

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS
The principal activity of the company was that of the provision of pre media services

On 1st October 2007, Wellcom Group Limited, a company listed on the Australian Securities Exchange (ASX) acquired 100% of the company's share capital

DIRECTORS
The following directors served during the period

Mr W W Sidwell (Appointed 1 October 2007)
Mr C A Anzarut (Appointed 1 October 2007)
Mr J Graham (Appointed 1 October 2007)
Mr J Keene
Mrs A M Ashton (Resigned 1 October 2007)
Mr F E Keene (Resigned 1 October 2007)
Mr A Gladdon (Resigned 3 April 2007)

RESULTS AND DIVIDENDS

On 5th March 2008, it was resolved that a dividend of £1,402,500 would be paid from retained earnings The dividend was paid in full at year end

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITORS
Sayers Butterworth LLP have signified their willingness to continue in office and a resolution to re-appoint them as auditor will be proposed at the Annual General Meeting

Approved by the board on 20 August 2008
and signed on its behalf by



Mr C A Anzarut
Director

KEENE REPRO LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2008

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out on the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements' In virtually all situations, a fair presentation will be achieved by complying with all applicable IFRSs In preparing these financial statements, the directors are also required to

- select suitable accounting policies and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985 and Article 4 of the IAS Regulation They 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

KEENE REPRO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KEENE REPRO LIMITED

FOR THE YEAR ENDED 30 JUNE 2008

We have audited the financial statements of Keene Repro Limited for the year ended 30 June 2008 which comprise the Income Statement Statement of Changes in Equity, Balance Sheet, Cash Flow Statement and the related notes These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders 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 financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 and Article 4 of the IAS Regulation We also report to you whether the information given in the Directors' report is consistent with the financial statements

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information

BASIS OF OPINION

We conducted our audit work 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 preparation of the financial statements, and of whether the accounting policies are appropriate for 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 a 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

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with IFRSs adopted by the European Union, of the state of the company's affairs as at 30 June 2008 and of its profit for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and article 4 of the IAS Regulation, and
- the information given in the Directors' report is consistent with the financial statements

Sayers Butterworth LLP
18 Bentinck Street
London
W1U 2AR

20 August 2008

KEENE REPRO LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008	*2007*
		£	*£*
Revenue		**5,528,642**	*5,074,810*
Cost of sales		**(2,128,145)**	*(2,297,223)*
GROSS PROFIT		**3,400,497**	*2,777,587*
Other operating income		**4,534**	*3,000*
Administrative expenses		**(2,733,664)**	*(2,145,727)*
Restructuring costs		**(65,000)**	*-*
OPERATING PROFIT	4	**606,367**	*634,860*
Other non-operating income		**54,434**	*242,501*
Other non-operating expenses		**-**	*(52,173)*
PROFIT BEFORE TAX		**660,801**	*825,188*
Income tax expense	7	**(184,981)**	*(180,705)*
PROFIT FOR THE YEAR		**475,820**	*644,483*

KEENE REPRO LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008

	Issued capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
Balance at 1 July 2007	1,700	300	2,107,212	2,109,212
Profit for the year	-	-	475,820	475,820
Total recognised income for the year	-	-	475,820	475,820
Equity dividends	-	-	(1,402,500)	(1,402,500)
Balance at 30 June 2008	1,700	300	1,180,532	1,182,532

	Issued capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
Balance at 1 July 2006	1,700	300	1,462,729	1,464,729
Profit for the year	-	-	644,483	644,483
Total recognised income for the year	-	-	644,483	644,483
Balance at 30 June 2007	1,700	300	2,107,212	2,109,212

KEENE REPRO LIMITED
BALANCE SHEET
AS AT 30 JUNE 2008

	Notes	2008 £	*2007 £*
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	9	**331,715**	*255,189*
Other investments	10	**-**	*14,018*
Deferred tax assets	11	**28,328**	*-*
		360,043	*269,207*
CURRENT ASSETS			
Inventories	15	**66,637**	*39,774*
Trade and other receivables	16	**1,027,576**	*1,045,555*
Prepayments		**179,966**	*174,120*
Cash and cash equivalents	17	**730,708**	*1,170,093*
		2,004,887	*2,429,542*
TOTAL ASSETS		**2,364,930**	*2,698,749*
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	18	**1,700**	*1,700*
Reserves	19	**300**	*300*
Retained profits		**1,180,532**	*2,107,212*
TOTAL EQUITY		**1,182,532**	*2,109,212*
NON CURRENT LIABILITIES			
Deferred tax payables	11	**10,158**	*-*
CURRENT LIABILITIES			
Interest bearing borrowings	20	**-**	*25,676*
Provisions	21	**226,595**	*-*
Tax payables		**203,037**	*180,705*
Trade and other payables	22	**742,608**	*383,156*
		1,172,240	*589,537*
TOTAL EQUITY AND LIABILITIES		**2,364,930**	*2,698,749*

Approved by the Board on 20 August 2008 and signed on its behalf by

Mr W W Sidwell, Director

Mr C A Anzarut, Director

KEENE REPRO LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	2008 £	2007 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Total operating Profit	**475,820**	*644,483*
ADJUSTMENTS TO RECONCILE TO PROFIT FROM OPERATIONS		
Interest income	**(54,434)**	*(19,501)*
Dividend income	**-**	*(223,000)*
Income tax expense	**203,151**	*180,705*
Other (decrease) to reconcile to profit/(loss) from operations	**-**	*52,172*
ADJUSTMENTS TO RECONCILE PROFIT FROM OPERATIONS	**148,717**	*(9,624)*
NON-CASH ADJUSTMENTS		
Depreciation	**119,848**	*169,767*
Gain/(loss) on derecognition of non current asset not held for sale	**865**	*-*
Gain/(loss) on disposal of non-current financial assets	**(213)**	*61,229*
(Increase)/decrease in deferred tax assets	**(18,170)**	*-*
NON-CASH ADJUSTMENTS	**102,330**	*230,996*
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL	**726,867**	*865,855*
INCREASE/(DECREASE) IN WORKING CAPITAL		
Increase in inventories	**(26,863)**	*(10,002)*
Decrease in trade and other receivables	**12,133**	*45,916*
Increase/(Decrease) in trade and other payables	**359,453**	*(93,754)*
Increase in provisions	**226,595**	*-*
INCREASE/(DECREASE) IN WORKING CAPITAL	**571,318**	*(57,840)*
CASH FLOWS FROM OPERATING ACTIVITIES	**1,298,185**	*808,015*
CASH FLOWS (USED IN)/FROM OTHER OPERATING ACTIVITIES		
Receipts of interest classified as operating	**54,434**	*19,501*
Income taxes paid	**(180,819)**	*-*
CASH FLOWS (USED IN)/FROM OTHER OPERATING ACTIVITIES	**(126,385)**	*19,501*
NET CASH FLOWS FROM OPERATING ACTIVITIES	**1,171,800**	*827,516*
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire property, plant and equipment	**(196,372)**	*(114,040)*
Receipts from sale of property, plant and equipment	**213**	*5,550*
Receipts from sale of subsidiaries	**13,150**	*-*
Dividends received from subsidiaries	**-**	*223,000*
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES	**(183,009)**	*114,510*

KEENE REPRO LIMITED
CASH FLOW STATEMENT (continued)
FOR THE YEAR ENDED 30 JUNE 2008

CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of obligations under finance leases	**(25,676)**	*(51,351)*
Dividends paid	**(1,402,500)**	-
NET CASH FLOWS USED IN FINANCING ACTIVITIES	**(1,428,176)**	*(51,351)*
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(439,385)**	*890,675*
Cash and cash equivalents as at 1 July 2007	**1,170,093**	*279,418*
CASH AND CASH EQUIVALENTS AS AT 30 JUNE 2008	**730,708**	*1,170,093*

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

The company's financial statements for the year were authorised for issue on 12 August 2008 and the balance sheet signed on the board's behalf by Mr W W Sidwell and Mr C A Anzarut Keene Repro Limited is a limited company incorporated and domiciled in England & Wales

2. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING AND ACCOUNTING STANDARDS

In the current year, the Company has adopted International Financial Reporting and Accounting Standards for the first time

The Company has applied IFRS 1 First time adoption of International Financial Reporting Standards to provide a starting point for reporting under International Financial Reporting and Accounting Standards The date of transition to International Financial Reporting and Accounting Standards was selected as 1 July 2007 and all comparative information in these financial statements has been restated to reflect the Company's adoption of International Financial Reporting and Accounting Standards

However the adoption of International Financial Reporting and Accounting Standards has not resulted in any substantial changes to the entities accounting policies, except in relation to deferred tax and employee benefits

2 FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING AND ACCOUNTING STANDARDS (Continued)

Reconciliation of equity at 1 July 2006

The effect of the changes to the Company's accounting policies on the equity of the Company at the date of transition, 1 July 2006 was as follows

Note		As reported under Previous GAAP	Effect of transition to IFRSs	IFRSs
1	Property, plant and equipment	377,694	-	377,694
2	Financial assets	66,191	-	66,191
3	Deferred tax asset	-	42,124	42,124
	Total non-current assets	443,885	42,124	486,009
	Trade and other receivables	1,265,591	(143,198)	1,122,393
	Inventories	29,772	-	29,772
	Other receivables	-	143,198	143,198
	Cash and cash equivalents	279,418	-	279,418
	Total current assets	1,574,781	-	1,574,781
	Total assets	-	2,018,666	2,018,666
	Interest-bearing loans	-	(77,028)	(77,028)
	Trade and other payables	(553,937)	77,028	(476,909)
4	Provisions	-	(40,047)	(40,047)
	Current tax liability	-	-	-
	Total liabilities	-	(593,984)	(593,984)
	Total assets less total liabilities	1,464,729	(1,464,729)	-
	Issued capital	(1,700)	-	(1,700)
	Redemption reserve	(300)	-	(300)
5	Retained earnings	(1,462,729)	(2,077)	(1,464,806)
	Total equity	(1,464,729)	-	(1,466,806)

Notes to the reconciliation of equity at 1 July 2006

1 Depreciation was influenced by tax requirements under previous GAAP, but under IFRSs reflects the useful life of the assets No adjustment has been made in respect of the carrying amount of property, plant and equipment

2 Financial assets are all classified as available-for-sale under IFRSs and are carried at their fair value of £66,191 They were carried at cost of £66,191 under previous GAAP

3 The above changes increased the deferred tax asset as follows

Retained earnings	(42,214)
Increase in deferred tax asset	42,214

The deferred tax asset has arisen from accelerated capital allowances There were no other factors which affected the provision

2 FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING AND ACCOUNTING STANDARDS (Continued)

4 An annual leave provision is required under IFRS Based on the assumptions used to calculate the 2008 provision, an adjustment of £41,179 is needed No provision was necessary under previous GAAP

5 The adjustments to retained earnings are as follows

Annual leave provision (note 3)	40,047
Increase in deferred tax asset (note 4)	(42,214)
Total adjustment to retained earnings	(2,077)

Reconciliation of equity at 30 June 2007

The effect of the changes to the Company's accounting policies on the equity of the Company at the date of the date of the last financial statements presented under previous GAAP, 30 June 2007 was as follows

Note		As reported under Previous GAAP	Effect of transition to IFRSs	IFRSs
1	Property, plant and equipment	255,189	-	255,189
2	Financial assets	14,018	-	14,018
3	Deferred tax asset	-	60,000	60,000
	Total non-current assets	269,207	-	329,207
	Trade and other receivables	1,219,675	(174,120)	1,045,555
	Inventories	39,774	-	39,774
	Other receivables	-	174,120	174,120
	Cash and cash equivalents	1,170,093	-	1,170,093
	Total current assets	2,429,542	-	2,429,542
	Total assets	-	2,698,749	2,698,749
	Interest-bearing loans	-	(25,676)	(25,676)
	Trade and other payables	(589,537)	206,381	(383,156)
4	Provisions		(41,179)	(41,179)
	Current tax liability	-	(180,705)	(180,705)
	Total liabilities	(589,537)	-	(630,716)
	Total assets less total liabilities	2,109,212	(2,109,212)	-
	Issued capital	(1,700)	-	1,700
	Redemption reserve	(300)	-	300
5	Retained earnings	(2,107,212)	(18,821)	(2,126,033)
	Total equity	(2,109,212)	(18,821)	(2,128,033)

Notes to the reconciliation of equity at 30 June 2007

1 Depreciation was influenced by tax requirements under previous GAAP, but under IFRSs reflects the useful life of the assets No adjustment has been made in respect of the carrying amount of property, plant and equipment as the policies implemented already reflect useful life

2 Financial assets are all classified as available-for-sale under IFRSs and are carried at their fair value of £14,018 They were carried at cost of £14,018 under previous GAAP

2 FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING AND ACCOUNTING STANDARDS (Continued)

3 The above changes increased the deferred tax asset as follows

Retained earnings	(60,000)
Increase in deferred tax asset	60,000

The deferred tax asset has arisen from accelerated capital allowances There were no other factors which affected the provision

4 An annual leave provision is required under IFRS Based on the assumptions used to calculate the 2008 provision, an adjustment of £41,179 is needed No provision was necessary under previous GAAP

5 The adjustments to retained earnings are as follows

Annual leave provision (note 3)	41,179
Increase in deferred tax asset (note 4)	(60,000)
Total adjustment to retained earnings	(18,821)

Reconciliation of profit for 2007

The changes in accounting policies had the following effect on the profit for the year ended 30 June 2007

Note		As reported under Previous GAAP	Effect of transition to IFRSs	IFRSs
	Revenue	5,074,810	-	5,074,810
1	Cost of sales	(2,297,223)	-	(2,297,223)
	Gross profit	2,777,387	-	2,777,387
2	Administration expenses	(2,145,727)	(41,179)	(2,186,906)
	Other operating income	3,000	-	3,000
	Profit before tax	186,534	(41,179)	145,355
3	Tax expense	(180,703)	60,000	(120,703)
	Net profit (loss)	644,843	60,000	704,483

Notes to the reconciliation of profit or loss for 2007

1 Depreciation was influenced by tax requirements under previous GAAP, but reflects the useful life of the assets under IFRSs No adjustment has been made in respect of this

2 An annual leave provision of £41,179 is required under IFRS based on the assumptions used to calculate the 2008 provision

3 An adjustment of £60,000 has been made in relation to deferred tax asset which is required under IFRS

3. ACCOUNTING POLICIES

Basis of preparation

The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 1985

The financial report is presented in UK Sterling and all values are rounded to the nearest pound (£) unless otherwise stated

Statement of compliance

The financial report complies with UK Financial Reporting Standards (FRS) which includes the UK equivalents to International Financial Reporting Standards The financial report complies with International Financial Reporting Standards (IFRS)

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured All such revenue is reported net of discounts and value added and other sales taxes

Income tax

Income tax expense represents the sum of the tax currently payable and deferred income tax

The tax currently payable is based on taxable profit for the year Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it furthers excludes items that are never taxable or deductible The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due

The company previously operated a defined benefit scheme for its employees, that has been closed since 1st April 1994 The last actuarial valuation carried out by an independent firm of qualified actuaries on 1st December 1998 indicated there was no funding surplus or deficit As at 30th June 2008, there were 4 members registered with that scheme An estimate of the outstanding liability with regards to the scheme was carried out by a qualified Independent Financial Advisor on 23rd October 2007 The liability due as estimated has been paid by the Keene Pension Scheme and hence, in the opinion of the directors, no additional liability needs to be recorded

3. ACCOUNTING POLICIES (continued)

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight line method, on the following bases

Short leasehold property	Over the life of the lease
Plant and equipment	20%
Motor vehicles	25%
Fixtures and fittings	20% - 25%

Deferred tax

Deferred tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than as a business combination) or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interest in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax assets and liabilities are offset when they relate to income taxed levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis

Inventories

Inventories are valued at the lower of cost and net realisable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale

3. ACCOUNTING POLICIES (continued)

Trade and other receivables

Trade and other receivables are recognised by the company and carried at original invoice amount less an allowance for any uncollectible or impaired amounts

An estimate for doubtful debts is made when collection of the full amount is no longer probable Bad debts are written off when they are identified as being bad

Other receivables are recognised at fair value

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits Short term deposits are defined as deposits with an initial maturity of three months or less

Provisions

Provisions are recognised when the company has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably estimated The provisions are measured as the estimated expenditure that will be required to settle such obligations as at the balance sheet date Discounting to present value is employed in the estimation process when the effect of the time value of money is material

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method

Operating lease commitments

Operating leases payments are recognised as an expense in the income statement on a straight-line basis over the lease term

Foreign currency translation

All foreign currency translations during the financial year are brought to account using the exchange rate in effect at the date of the transaction Where foreign currency monetary items exist at reporting date, they are translated at the exchange rate existing at reporting date

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measure reliably

Provisions made in respect of employee benefits expected to be settled within twelve months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following

	2008 £	2007 £
Cost of inventories recognised as an expense	**124,556**	*141,355*
Profit/(Loss) on disposal of property, plant and equipment	**(213)**	*61,229*
Depreciation of property, plant and equipment	**119,848**	*164,331*
Net foreign currency differences	**161**	*9,843*
Operating leases Present value of minimum lease payments	**392,167**	*281,031*
Auditor's remuneration - audit services	**27,594**	*14,500*
	27,594	*14,500*

	2008 £	2007 £
Included in cost of sales.		
Raw materials and consumables used	**325,841**	*488,185*
Changes in inventories	**12,629**	*(10,002)*
Employee benefits expense	**1,571,774**	*1,606,163*
	1,910,244	*2,084,346*
Included in administrative expenses		
Employee benefits expense	**1,322,247**	*1,095,799*
Depreciation and amortisation	**119,848**	*169,767*
Net foreign currency exchange	**161**	*9,843*
	1,442,256	*1,275,409*

5. EMPLOYEE EXPENSES

	2008 £	*2007 £*
Wages and salaries	**2,378,947**	*2,240,631*
Short term employee benefits	**14,500**	-
Post employment expense for defined contribution plans	**247,493**	*217,207*
Social security costs	**253,081**	*244,124*
	2,894,021	*2,701,962*

The average monthly number of employees during the year was made up as follows

	2008 No.	*2007 No*
Administration	**11**	*11*
Sales and marketing	**13**	*11*
Production	**43**	*49*
	67	*71*

6. DIRECTORS' EMOLUMENTS

	2008 £	*2007 £*
Emoluments	**258,258**	*258,273*
Contributions to money purchase pension schemes	**25,272**	*37,256*

During the year the following number of directors

	2008 No.	*2007 No*
Accrued benefits under money purchase pension schemes	**1**	*3*

The emoluments of directors disclosed above include the following in respect of the highest paid director

	2008 £	*2007 £*
Emoluments	**156,454**	*109,334*
Contributions to money purchase pension schemes	**15,750**	-

7. INCOME TAX

Components of income tax expense

	2008 £	*2007 £*
Current income tax expense		
Current income tax charge	**203,151**	*180,705*
Deferred income tax expense		
Relating to origination and reversal of temporary differences	**(18,170)**	-
Income tax expense reported in income statement	**184,981**	*180,705*

Reconciliation of income tax charge to accounting profit

	% age	2008 £	*% age*	*2007 £*
Profit before tax at the domestic rate of 30%	**30**	**198,241**	*30*	*247,556*
Tax effect from under or over provisions in prior periods	**30**	**114**	-	-
Tax effect of utilisation of previously unrecognised losses	-	-	*30*	*(26,385)*
Tax effect of capital allowances	**30**	**(56,879)**	*30*	*(59,101)*
Tax effect of non deductible expenses	**30**	**24,713**	*30*	*38,849*
Tax effect of change in tax rates	**30**	**(3,422)**	-	-
Tax effect of depreciation	**30**	**35,954**	*30*	*50,930*
Tax effect of dividends and distributions received	-	-	*30*	*(66,900)*
Tax effect of marginal relief	-	-	*30*	*(22,613)*
Tax effect of chargeable disposals	**30**	**(64)**	*30*	*18,369*
Tax effect of pension cost accrual	**30**	**4,494**	-	-
Tax expense using effective rate	-	**203,151**	-	*180,705*

8. DIVIDENDS

	2008 £	*2007 £*
Declared and paid during the year		
Equity dividends on ordinary shares:		
Dividends paid on ordinary shares	**1,402,500**	-

9. PROPERTY, PLANT AND EQUIPMENT

At 30 June 2008

	Short leasehold property £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 July 2007	43,947	803,140	201,042	82,258	1,130,387
Additions	36,999	82,061	-	77,312	196,372
Disposals	-	-	(7,025)	-	(7,025)
At 30 June 2008	80,946	885,201	194,017	159,570	1,319,734
Depreciation					
At 1 July 2007	(26,877)	(627,766)	(154,125)	(66,428)	(875,196)
Disposals	-	-	7,025	-	7,025
Charge for year	(6,505)	(78,582)	(26,069)	(8,692)	(119,848)
At 30 June 2008	(33,382)	(706,348)	(173,169)	(75,120)	(988,019)
Net book value					
At 1 July 2007	17,070	175,374	46,917	15,830	255,191
At 30 June 2008	47,564	178,853	20,848	84,450	331,715

At 30 June 2007

	Short leasehold property £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 July 2006	257,160	2,210,020	205,727	356,181	3,029,088
Additions	5,576	79,931	18,743	9,790	114,040
Disposals	(218,790)	(1,486,812)	(23,427)	(283,713)	(2,012,742)
At 30 June 2007	43,946	803,139	201,043	82,258	1,130,386
Depreciation					
At 1 July 2006	(240,231)	(1,926,173)	(148,501)	(336,489)	(2,651,394)
Disposals	218,790	1,420,034	23,427	283,713	1,945,964
Charge for year	(5,436)	(121,627)	(29,051)	(13,653)	(169,767)
At 30 June 2007	(26,877)	(627,766)	(154,125)	(66,429)	(875,197)
Net book value					
At 1 July 2006	16,929	283,847	57,226	19,692	377,694
At 30 June 2007	17,069	175,373	46,918	15,829	255,189

10. OTHER INVESTMENTS

During the year, the company held more than 20% of the share capital in the following companies

Name	Country of Incorporation	% Ownership interest	% Voting rights
Anton Graphics Limited	England and Wales	100%	100%

On 11th September 2007, the above company was dissolved Any residual investment value was written down to nil The net proceeds received from the liquidation of the company was £31,452

11. DEFERRED TAX

	Balance sheet		*Income statement*	
	2008	*2007*	**2008**	*2007*
	£	*£*	**£**	*£*
Deferred tax liabilities				
Relating to timing differences	**(10,158)**	-	**10,158**	-
Gross Deferred Tax liabilities	**(10,158)**	-		
Deferred tax assets				
Relating to timing differences	**28,328**	-	**(28,328)**	-
Deferred Tax charge			**(18,170)**	-
Net Deferred Tax	**18,170**	-		

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

The company trades only with recognised, credit worthy customers All customers who wish to trade on credit are subject to credit verification checks Customer balances are checked regularly to ensure that the risk of exposure to bad debts is minimised

Liquidity risk

The company has given responsibility of liquidity risk management to the board whom have formulated liquidity management tools to service this requirement

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows

12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

	2008 £	*2007 £*
Interest bearing loans and borrowings	-	*25,676*
Less Cash and short term deposits	**(730,708)**	*(1,170,093)*
Net funds	**(730,708)**	*(1,144,417)*
Equity	**706,712**	*1,464,729*
Total capital	**706,712**	*1,464,729*
Capital and net funds	**(23,996)**	*320,312*

13. FINANCIAL INSTRUMENTS

	Carrying amount		*Fair value*	
	2008 £	*2007 £*	**2008 £**	*2007 £*
Financial assets				
Cash and cash equivalents	**730,708**	*1,170,093*	**730,708**	*1,170,093*
Trade and other receivables	**1,027,576**	*1,045,555*	**1,027,576**	*1,045,555*
Financial liabilities				
Trade and other payables	**(292,337)**	*(129,207)*	**(292,337)**	*(129,207)*
Finance leases and hire purchase contracts	-	*(25,676)*	-	*(25,676)*

14. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The company was under the control of Mr F E Keene until 30th September 2007 by virtue of his majority shareholding

On 1st October 2007, Wellcom Group Limited, a company listed on the Australian Securities Exchange (ASX), acquired 100% of the share capital It is the opinion of the directors that from 1st October 2007, there was no ultimate controlling party

The immediate and ultimate parent undertaking is Wellcom Group Limited, a company incorporated in Australia Copies of the consolidated financial statements can be obtained from their website (www wellcom com au)

14. RELATED PARTY TRANSACTIONS (continued)

Receivable from related parties

	2008 £	2007 £
Amounts due from subsidiary undertaking	-	18,303

Payable to related parties

	2008 £	2007 £
Amounts due to parent undertaking	157,648	-
Directors current account	-	3,305
	157,648	3,305

During the year, transactions took place with Wellcom Group Limited, the parent company The company was recharged travel and legal costs which were directly attributable to Keene Repro Limited At year end, the company was also recharged management fees of £104,488 All transactions took place at arms length At year end, the balance outstanding was £157,648 (2007 £nil)

Key management compensation

	2008 £	2007 £
Wages and salaries	170,250	221,017
Short term employee benefits	14,500	-
Post employment benefits Defined contribution	25,272	37,256
Social security costs	21,096	-
	231,118	258,273

15. INVENTORIES

	2008 £	2007 £
Inventories (at cost)	66,637	39,774

16. TRADE AND OTHER RECEIVABLES

	2008 £	2007 £
Receivable from trade customers	1,005,702	1,003,763
Receivable from related parties	-	18,303
Other receivables	21,874	23,489
	1,027,576	1,045,555

Amounts receivable from trade customers are non-interest bearing and are generally on 30 - 90 day terms

16. TRADE AND OTHER RECEIVABLES (continued)

Movements in the provision for impairment of trade and other receivables were as follows

	2008	2007
	£	£
At 1 July 2007	13,597	-
Provision for doubtful debts	7,701	13,597
At 30 June 2008	21,298	13,597
Current	21,298	13,597

17. CASH AND CASH EQUIVALENTS

	2008	2007
	£	£
Cash on hand	470	1,981
Cash at bank	230,238	1,168,112
Short-term deposits	500,000	-
	730,708	1,170,093

For the purposes of the cash flow statement, cash and cash equivalents comprise the following at 30 June 2008

	2008	2007
	£	£
Cash on hand	470	1,981
Cash at bank	230,238	1,168,112
Short term deposits	500,000	-
	730,708	1,170,093

18. SHARE CAPITAL

Authorised share capital

	2008		2007	
	No.	£	No	£
Ordinary share capital	2,000	2,000	2,000	1,700

Issued share capital

	2008		2007	
	No.	£	No	£
Issued and fully paid				
Ordinary share capital	1,700	1,700	1,700	1,700

All issued share capital is classified as equity

19 RESERVES

	Capital redemption reserve
	£
At 1 July 2007	300

20. FINANCIAL LIABILITIES

	2008	*2007*
	£	*£*
Finance leases	-	*25,676*

21. PROVISIONS

30 June 2008

	Restructuring provision	Dilapidations provision	Other provisions	Total
	£	£	£	£
Additional provision	65,000	126,000	35,595	226,595
At 30 June 2008	65,000	126,000	35,595	226,595
Current	65,000	126,000	35,595	226,595
	65,000	126,000	35,595	226,595

21. PROVISIONS (continued)

Restructuring provision

The restructuring provision relates to redundancy costs to be incurred following the acquisition of Keene Repro Limited in order to align it with the parent company's business strategy and objectives A provision of £65,000 has been made in accordance with IAS 37 As at 30th June 2008, no costs had been incurred with regards to the restructuring procedures The directors feel that the provision is still valid and anticipate that the event will take place in the near future

Dilapidations provision

In May 2008, the company vacated the premises on Dallington Street A dilapidations provisions of £106,000 been based on an assessment made by Cuthbert Lake Chartered Surveyors on 27th July 2008 An additional provision of £20,000 has been made for legal and surveyors costs relating to this matter

Other provisions

The annual leave provision of £35,595 is calculated on the basis of the employees' remuneration including benefits and pension to the extent that the leave is likely to be taken during the service rather than paid out on termination

22. TRADE AND OTHER PAYABLES

	2008	*2007*
	£	*£*
Payable to trade suppliers	**134,689**	*125,902*
Accrued liabilities	**227,331**	*51,279*
Tax payable	**222,940**	*202,670*
Payable to related parties	**157,648**	*3,305*
	742,608	*383,156*

23. OPERATING LEASE COMMITMENTS

As lessee

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows

	2008	*2007*
	£	*£*
Less than one year	**465,362**	*14,000*
Later than one year but less than five years	**1,833,448**	-
Later than five years	**1,354,086**	-
	3,652,896	*14,000*