

Hobs Legal Docs Limited

FINANCIAL STATEMENTS

for the year ended

30 April 2012

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Hobs Legal Docs Limited

FINANCIAL STATEMENTS

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

K J O'Brien
J B Hackett
T J Harrison
C Stephens
P C Demetriou
P Rowan

SECRETARY

C Stephens

REGISTERED OFFICE

Unit 305 Vanilla Factory
39 Fleet Street
Liverpool
Merseyside
L1 4AR

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

BANKERS

HSBC Bank plc
4 Dale Street
Liverpool
L69 2BZ

SOLICITORS

Hill Dickinson
1 St Paul's Square
Old Hall Street
Liverpool
L3 9SJ

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DIRECTORS' REPORT

The directors submit their report and financial statements of Hobs Legal Docs Limited for the year ended 30 April 2012

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of specialist copying services for legal cases

DIRECTORS

The directors who served the company during the year were as follows

K J O'Brien	
J B Hackett	
T J Harrison	
C Stephens	
P C Demetriou	
P Rowan	(Appointed 14 March 2012)
L Dine	(Resigned 19 December 2011)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that 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 it has been communicated to the auditor.

AUDITOR

Baker Tilly UK Audit LLP have expressed their willingness to continue in office

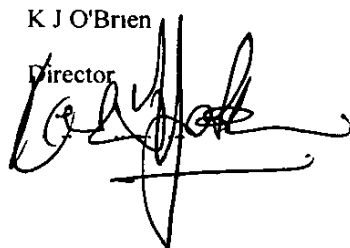
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

On behalf of the board

K J O'Brien

Director



28/8/12

Hobs Legal Docs Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOBS LEGAL DOCS LIMITED

We have audited the financial statements on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 April 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

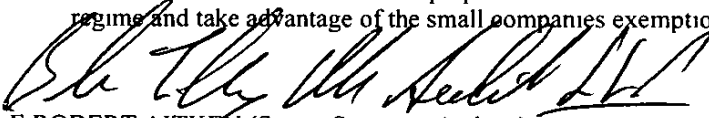
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.



E ROBERT AITKEN (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

3 Hardman Street

Manchester

M3 3HF

28/8/2012

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PROFIT AND LOSS ACCOUNT

for the year ended 30 April 2012

	Notes	2012 £	2011 £
TURNOVER		2,392,616	2,473,953
Cost of sales		(1,628,281)	(1,543,971)
Gross profit		764,335	929,982
Administrative expenses excluding exceptional items		(707,789)	(465,831)
Exceptional administrative expenses	4	(416,667)	-
Total administrative expenses		(1,124,456)	(465,831)
OPERATING (LOSS)/PROFIT	2	(360,121)	464,151
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(360,121)	464,151
Taxation	5	55,527	(123,029)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	14	(304,594)	341,122

The loss/profit for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

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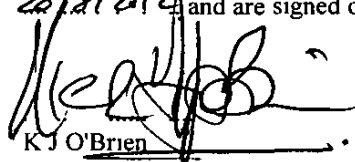
BALANCE SHEET

30 April 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	6	253,535	311,597
Tangible assets	7	366,655	253,735
		<u>620,190</u>	<u>565,332</u>
CURRENT ASSETS			
Stocks		18,901	12,428
Debtors	8	1,410,258	1,765,081
Cash at bank and in hand		424,613	382,489
		<u>1,853,772</u>	<u>2,159,998</u>
CREDITORS			
Amounts falling due within one year	10	(906,072)	(852,846)
NET CURRENT ASSETS			
		<u>947,700</u>	<u>1,307,152</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>1,567,890</u>	<u>1,872,484</u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit and loss account	14	1,567,790	1,872,384
SHAREHOLDERS' FUNDS			
	15	<u>1,567,890</u>	<u>1,872,484</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements on pages 5 to 13 were approved by the board of directors and authorised for issue on 28/2/2012 and are signed on their behalf by


K J O'Brien


C Stephens

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2012

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

GOING CONCERN

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the company has adequate cash resources and financial projections indicate that the company will continue to trade profitably

CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

TURNOVER

Turnover represents the invoiced amount of goods and services sold, net of trade discounts and value added tax. Sales are recognised when the rights to receive consideration have been met in full

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

INTANGIBLE FIXED ASSETS – LICENCES

Licences are stated at cost, net of amortisation and any provision for impairment

AMORTISATION

Amortisation is calculated so as to write off the cost of an intangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows

Goodwill	- 20% straight line
Licences	- over 12 months

FIXED ASSETS

All fixed assets are initially recorded at cost

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold improvements	- 20% straight line
Plant & equipment	- 25-100% straight line
Fixtures & fittings	- 20% straight line
Motor vehicles	- 25% straight line

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2012

1 ACCOUNTING POLICIES *(continued)*

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.

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2012

2 OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging/(crediting)

	2012	2011
	£	£
Staff pension contributions	44,370	–
Amortisation of intangible assets	111,666	98,400
Depreciation of owned fixed assets	172,940	112,919
Profit on disposal of fixed assets	–	(300)
Auditor's fees	4,330	3,700
Operating lease costs		
- Other	77,513	48,278
Net loss on foreign currency translation	<u>1,493</u>	<u>–</u>

3 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Aggregate remuneration	<u>353,366</u>	<u>318,764</u>

The emoluments disclosed above are in respect of 4 directors (2011 - 3) The remaining directors did not receive any remuneration from the company

4 EXCEPTIONAL ITEMS

	2012	2011
	£	£
Recognised in arriving at operating (loss)/profit		
Exceptional item	<u>416,667</u>	<u>–</u>

During the year the company incurred exceptional costs arising from operational activities

5 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012	2011
	£	£
Current tax		
UK Corporation tax based on the results for the year at 26% (2011 - 28%)	–	128,811
Over/under provision in prior year	(54,393)	(526)
Total current tax	<u>(54,393)</u>	<u>128,285</u>
Deferred tax		
Origination and reversal of timing differences (note 9)		
Capital allowances	<u>(1,134)</u>	<u>(5,256)</u>
Tax on (loss)/profit on ordinary activities	<u>(55,527)</u>	<u>123,029</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2012

5 TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26% (2011 - 28%), as explained below

	2012 £	2011 £
(Loss)/profit on ordinary activities before taxation	<u>(360,121)</u>	<u>464,151</u>
(Loss)/profit on ordinary activities by rate of tax	(93,631)	129,962
Effects of		
Expenses not deductible for tax purposes	6,235	6,111
Depreciation in excess of capital allowances	39,473	33,802
Utilisation of tax losses	47,923	-
Adjustments to tax charge in respect of previous periods	(54,393)	(526)
Group Relief	-	(40,293)
Taxed at lower rate	-	(771)
Total current tax (note 5(a))	<u>(54,393)</u>	<u>128,285</u>

6 INTANGIBLE FIXED ASSETS

	Goodwill £	Licences £	Total £
Cost			
At 1 May 2011	491,997	-	491,997
Additions	-	53,604	53,604
At 30 April 2012	<u>491,997</u>	<u>53,604</u>	<u>545,601</u>
Amortisation			
At 1 May 2011	180,400	-	180,400
Charge for the year	98,400	13,266	111,666
At 30 April 2012	<u>278,800</u>	<u>13,266</u>	<u>292,066</u>
Net book value			
At 30 April 2012	<u>213,197</u>	<u>40,338</u>	<u>253,535</u>
At 30 April 2011	<u>311,597</u>	-	<u>311,597</u>

Hobs Legal Docs Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2012

7 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant & equipment £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 May 2011	35,566	785,289	42,072	8,839	871,766
Additions	—	180,865	60,451	44,544	285,860
Disposals	—	—	—	(8,839)	(8,839)
At 30 April 2012	<u>35,566</u>	<u>966,154</u>	<u>102,523</u>	<u>44,544</u>	<u>1,148,787</u>
Depreciation					
At 1 May 2011	1,161	576,139	31,892	8,839	618,031
Charge for the year	7,113	141,897	11,944	11,986	172,940
On disposals	—	—	—	(8,839)	(8,839)
At 30 April 2012	<u>8,274</u>	<u>718,036</u>	<u>43,836</u>	<u>11,986</u>	<u>782,132</u>
Net book value					
At 30 April 2012	<u>27,292</u>	<u>248,118</u>	<u>58,687</u>	<u>32,558</u>	<u>366,655</u>
At 30 April 2011	<u>34,405</u>	<u>209,150</u>	<u>10,180</u>	<u>—</u>	<u>253,735</u>

8 DEBTORS

	2012 £	2011 £
Trade debtors	553,651	723,363
Amounts owed by group undertakings	732,870	957,476
Corporation tax repayable	19,104	—
Other debtors	68,391	49,134
Deferred taxation (note 9)	36,242	35,108
	<u>1,410,258</u>	<u>1,765,081</u>

9 DEFERRED TAXATION

The deferred taxation included in the balance sheet is as follows

	2012 £	2011 £
Included in debtors (note 8)	<u>36,242</u>	<u>35,108</u>

The movement in the deferred taxation account during the year was

	2012 £	2011 £
Balance brought forward	35,108	29,852
Profit and loss account movement arising during the year	1,134	5,256
Balance carried forward	<u>36,242</u>	<u>35,108</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2012

9 DEFERRED TAXATION *(continued)*

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2012	2011
	£	£
Excess of depreciation over taxation allowances	36,242	35,108
	<u>36,242</u>	<u>35,108</u>

A deferred tax asset has been recognised in relation to the excess of depreciation over taxation allowances as the company is forecasting to make taxable profits in the next year

10 CREDITORS Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	110,389	22,458
Amounts owed to group undertakings	324,737	313,093
Corporation tax	—	212,478
Other taxation	1,077	96,208
Other creditors	469,869	208,609
	<u>906,072</u>	<u>852,846</u>

11 COMMITMENTS UNDER OPERATING LEASES

At 30 April 2012 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2012	2011
	£	£
Operating leases which expire		
Within 2 to 5 years	—	40,500
After more than 5 years	80,000	80,000
	<u>80,000</u>	<u>120,500</u>

12 RELATED PARTY TRANSACTIONS

The company is an 85% subsidiary of Obett Holdings Limited, a company incorporated in the United Kingdom

Included in debtors at the year end is a balance owed from Hobs Reprographics plc, a fellow group company, of £732,870 (2011 - £957,476) The balance is made up of staff costs which have been recharged from Hobs Reprographics plc to Hobs Legal Docs Limited, cash transfers from Hobs Legal Docs Limited to Hobs Reprographics plc for investment purposes and payments made by Hobs Reprographics plc on behalf of Hobs Legal Docs Limited

Included in creditors at the year end is a balance owed to DataLex Ltd, a fellow group company, of £313,093 (2011 - £313,093) The balance has arisen as a result of an exercise to transfer the funds from DataLex Limited's bank account to Hobs Legal Docs Limited

Included in creditors at the year end is a balance owed to Hobs Exchange Ltd, a fellow group company, of £11,644 (2011 - £Nil) The balance has arisen as a result of a transfer of a motor vehicle at net book value

No further transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2012

13 SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
85 "A" Ordinary shares of £1 each	85	85
15 "B" Ordinary shares of £1 each	15	15
	<u>100</u>	<u>100</u>

14 PROFIT AND LOSS ACCOUNT

	2012 £	2011 £
At the beginning of the year	1,872,384	1,531,262
(Loss)/profit for the financial year	<u>(304,594)</u>	<u>341,122</u>
At the end of the year	<u>1,567,790</u>	<u>1,872,384</u>

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
(Loss)/profit for the financial year	(304,594)	341,122
Opening shareholders' funds	<u>1,872,484</u>	<u>1,531,362</u>
Closing shareholders' funds	<u>1,567,890</u>	<u>1,872,484</u>

16 ULTIMATE PARENT COMPANY

The company is an 85% subsidiary of Obett Holdings Limited, a company incorporated in the United Kingdom. Based on this Obett Holdings Limited is considered to be the ultimate parent company.

The consolidated accounts of Obett Holdings Limited are available to the public from its registered office

Unit 305 Vanilla Factory
39 Fleet Street
Liverpool
L1 4AR