

Registered in England, No 1780736

COOPER CLEGG LIMITED

Report and Accounts
for the period ended
30 September 2007

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12/04/2008
COMPANIES HOUSE

COOPER CLEGG LIMITED

DIRECTORS

AL Dalton
JGHL Armistead
GA Pindar

SECRETARY

DA Noakes

AUDITORS

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

BANKERS

HSBC Bank plc
33 St Nicholas Street
Scarborough
YO11 2HN

Lloyds TSB Bank plc
130 High Street
Cheltenham
Gloucestershire
GL50 1NW

SOLICITORS

Eversheds
Solicitors
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

REGISTERED OFFICE

Thornburgh Road
Eastfield
Scarborough
YO11 3UY

COOPER CLEGG LIMITED

DIRECTORS' REPORT

The directors present their report and the accounts for the 18 months ended 30 September 2007

Results and Dividends

The profit for the period, after taxation, amounted to £1,466k (2006 loss £1,109k)

The directors do not recommend the payment of any dividends

The company has changed its accounting date to 30 September to make it co-terminus with its parent company

Principal activity and review of the business

The principal activity of the company is web offset printing and print finishing. The company was acquired by G A Pindar & Son Limited on 2 March 2007. Since that date considerable effort has been undertaken to bring the business back in to profit. However, this strategy was severely disrupted due to the floods that impacted the Tewkesbury area in July. The business suffered the total loss of a binder and incurred considerable increased cost of working. Fortunately the company is properly insured against such incidents but, never the less, for some weeks, meeting customer's needs proved a real challenge. The Group has put considerable resources at the disposal of the business to assist in the rebuilding process but it is not blind to the likelihood that this will be a testing exercise.

Principal risks and uncertainties

The need to overcome the residual effects of the July floods through investment in people and production equipment and processes, whilst maintaining the loyalty of existing customers and the trust of prospective customers.

Key performance indicators

The company's key financial and other performance indicators during the year were as follows

	2007 (18 mths) £'000	2006 (12 mths) £'000	Change %
Turnover	39,856	30,725	30
Operating (loss)	(2,973)	(580)	(512)
Profit/(loss) after tax	1,026	(1,109)	n/a
Shareholders' funds	2,957	1,491	198

Directors and their interests

The directors in office during the year were -

IT Cooper	(resigned 2 March 2007)
RG Woodward	(resigned 2 March 2007)
AL Dalton	(appointed 2 March 2007)
JGHL Armistead	(appointed 2 March 2007)
GA Pindar	(appointed 2 March 2007)

G A Pindar holds interests in the shares of the ultimate holding company, G A Pindar & Son Limited, which are disclosed in that company's directors' report. JGHL Armistead has an interest in the shares of one of the group companies, which is disclosed in the directors' report of the ultimate holding company, G A Pindar & Son Limited.

COOPER CLEGG LIMITED

DIRECTORS' REPORT (CONTINUED)

Directors' statement as to disclosure of information to auditors

As at the date of this report, so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware and each director has taken such steps as he or she should have taken as a director in order to make him or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

Auditors

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be proposed at the Annual General Meeting

By order of the board



**D A Noakes
Secretary**

4th April 2008

COOPER CLEGG LIMITED

Statement of Directors' responsibilities in respect of the accounts

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom Generally Accepted Accounting Practice

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). The financial statements are required by law to give a true and fair view of the state of affairs of the group and the company 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 accounts,
- prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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 AUDITORS' REPORT TO THE MEMBERS OF COOPER CLEGG LIMITED

We have audited the company's financial statements for the period ended 30th September 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 21. These financial statements have been prepared under 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 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 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 the preparation of the financial statements in accordance with applicable United Kingdom law and 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).

In addition 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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

We also 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 other transactions 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.

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 judgments 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.

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 30th September 2007 and of its profit for the period 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.

Ernst & Young LLP
Registered auditor
Leeds
4th April 2008

COOPER CLEGG LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 SEPTEMBER 2007

	Notes	(18 months) 2007 £'000	(12 months) 2006 £'000
Turnover	2	39,956	30,725
Change in stocks of finished goods & WIP		(6)	(15)
Other operating income		190	267
		-----	-----
		40,140	30,977
Raw materials & consumables	11,994		8,972
Other external charges	14,250		11,284
	-----	-----	-----
		(26,244)	(20,256)
		-----	-----
Gross profit		13,896	10,721
Staff costs	3	8,961	6,765
Depreciation, impairment & amortisation	6	3,134	2,984
Other operating charges		4,338	1,552
	-----	-----	-----
		(16,433)	(11,301)
		-----	-----
Operating loss on ordinary activities - pre exceptional item		(2,537)	(580)
Exceptional item	6	4,898	-
		-----	-----
Operating profit/(loss) on ordinary activities - post exceptional item		2,361	(580)
Interest payable	5	(899)	(830)
		-----	-----
Loss on ordinary activities before tax	6	(1,462)	(1,410)
Tax on profit/loss on ordinary activities	7	4	301
		-----	-----
Retained profit/(loss) for the period		1,466	(1,109)
		=====	=====

STATEMENT OF TOTAL RECOGNISED

GAINS AND LOSSES

FOR THE PERIOD ENDED 30 SEPTEMBER 2007

The company has no recognised gains and losses other than the profit for the period of £1,466,000 (2006 loss £1,109,000)

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007

1 Accounting policies

Accounting convention

The accounts have been prepared in accordance with applicable accounting standards under the historical cost convention

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value, of each asset over its expected useful life as follows -

Plant and machinery	-	10% or 25% straight line
Fixtures and fittings	-	10% or 33 1/3% straight line
Motor vehicles	-	25% or 33 1/3% straight line

Certain plant and machinery is depreciated using a straight line policy over 10 years with a residual value of 20%. The remaining 20% of the value of the assets is written down over a further 5 years on a straight line basis

Stock and work in progress

Stock and work in progress is stated at the lower of cost and net realisable value

In the case of raw materials and consumable stores, cost means purchase price including transport and handling costs, less trade discounts, calculated on a first in first out basis. In the case of work in progress and finished goods, cost consists of direct materials, direct labour and attributable production overheads

Net realisable value means estimated net selling price less all further costs to completion and all costs to be incurred in marketing, selling and distribution

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

- provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets
- deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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

Leasing

Assets funded by finance leases are capitalised and future lease obligations, excluding interest, are included as creditors in the balance sheet. Depreciation on such assets is charged in accordance with the company policy on depreciation. Interest charges, calculated using the actuarial method, are written off as incurred

Rentals payable under operating leases are charged to profit and loss account on the straight line basis over the lease term

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

1 Accounting policies (continued)

Related party transactions

Advantage is taken of the exemption given in Financial Reporting Standard number 8, "Related Party Disclosures" from the requirement to separately disclose transactions with group companies

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from the company. The contributions payable are charged to the profit and loss account.

2 Turnover and profit on ordinary activities before taxation

Turnover represents the invoiced amount of goods and services provided stated net of value added tax, excluding payments on account.

All the turnover and profit before taxation arose from the company's principal activity, namely printing and related activities and arose wholly within the United Kingdom. Included in turnover is £755,430 (2006 £nil) of sales to fellow group companies.

3 Staff costs	(18 months)	(12 months)
	2007	2006
	£'000	£'000
Wages and salaries	7,504	5,571
Social security costs	683	603
Other pension costs	538	435
Redundancy	236	156
	8,961	6,765
	8,961	6,765

The average monthly number of employees during the period was as follows -

	2007	2006
	Number	
Office, management and sales	28	28
Production	121	121
	149	149
	149	149

4 Directors' remuneration	(18 months)	(12 months)
	2007	2006
	£'000	£'000
Emoluments	122	200
Pension contributions	92	87
	214	287
	214	287

No (2006 2) directors were accruing pension benefits under the company's defined contribution pension scheme at the year end.

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

5	Interest payable and similar charges	(18 months)	(12 months)
		2007	2006
		£'000	£'000
	Bank loans and overdrafts	237	161
	Finance leases	637	669
	Other	25	-
		-----	-----
		899	830
		=====	=====
	Bank interest charged on the group facility is borne by the parent company		
6	Loss on ordinary activities before taxation	(18 months)	(12 months)
		2007	2006
		£'000	£'000
	This is stated after charging/(crediting) -		
	Auditors' remuneration	46	47
	Operating lease charges - plant and machinery	107	99
	Operating lease charges - land and buildings	954	1,088
	Depreciation of own fixed assets	850	831
	Depreciation of assets held under finance leases	1,451	2,306
	Impairment of fixed assets	500	-
	Assets written off	34	-
	Profit on disposal of fixed assets	(9)	(267)
	Exceptional item		
	Cancellation of Komori debt	(4898)	-
		-----	-----
7	Taxation	(18 months)	(12 months)
		2007	2006
		£'000	£'000
	a) Analysis of tax credit for the year		
	The charge based on the profit for the year comprises		
	Total current tax	-	-
		-----	-----
	Deferred tax		
	Origination and reversal of timing differences	(384)	(301)
	Adjustments in respect of previous periods	380	-
		-----	-----
	Total deferred tax	(4)	(307)
		-----	-----
	Tax on profits on ordinary activities	(4)	(307)
		=====	=====
	Group relief has been paid for at rates between 0% and 99% for losses surrendered to group companies		

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

7 Taxation (continued)

b) Factors affecting the tax charge for the year

The tax assessed on the profit on ordinary activities is different to the standard rate of corporation tax in the UK. These differences are explained below

	(18 months) 2007 £'000	(12 months) 2006 £'000
Profit/(loss) on ordinary activities before tax	1,026	(1,633)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	307	(310)
Effect of		
Capital allowances in excess of depreciation	559	305
Short term timing differences	-	(2)
Difference between standard and actual rates of tax	-	165
Write off of Komori HP agreements	(1,005)	-
Net expenses not deductible	13	13
Group relief not paid for	-	(58)
Tax losses carried forward	266	-
Movement in unprovided deferred tax	(140)	-
Current tax charge for the year	-	-

8 Tangible assets

	Plant & Machinery £'000	Fixtures & Fittings £'000	Motor Vehicles £'000	Total £'000
Cost				
At 30 March 2006	45,405	860	253	46,518
Additions	30	624	28	682
Disposals	(483)	(255)	(99)	(837)
Group transfers	1,651	242	(23)	1,870
At 30 September 2007	46,603	1,471	159	48,233
Depreciation				
At 31 March 2006	33,900	756	203	34,859
Charge for the year	2,494	63	44	2,601
Disposals	(478)	(212)	(100)	(790)
Group transfers	1,622	64	(6)	1,680
Impairment	500	-	-	500
At 30 September 2007	38,038	671	141	38,850
Net book amount				
At 30 September 2007	8,565	800	18	9,383
At 31 March 2006	11,505	104	50	11,659

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

8	Tangible assets (continued)	(18 months) 2007 £'000	(12 months) 2006 £'000
	Plant and machinery held under finance leases are included in fixed assets at a net book value of	6,572	9,111
	Depreciation on these assets during the period amounted to	1,451	2,306
9	Investments		2007 £'000
	Cost		
	At 1 April 2006		64
	Provided in year		(64)
	At 30 September 2007		-
10	Stocks	2007 £'000	2006 £'000
	Raw materials and consumables	421	769
	Work in progress	537	503
		958	1,272
11	Debtors	2007 £'000	2006 £'000
	Trade debtors	5,158	3,364
	Amounts owing by group undertakings	1,250	224
	Other debtors	21	135
	Prepayments and accrued income	1,712	135
		8,141	3,858

Amounts shown as due to or from group companies may fall due after more than one year, since no specific repayment terms have been agreed

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

12	Creditors: amounts falling due within one year	2007	2006
		£'000	£'000
	Bank loan and overdraft	3,802	1,754
	Trade creditors	3,107	3,742
	Amounts owed to group companies	4,564	-
	Other taxes and social security costs	225	184
	Finance lease creditors	740	2,636
	Other creditors	38	-
	Accruals and deferred income	614	735
		<u>13,090</u>	<u>9,051</u>

The bank loan and overdraft are secured by a fixed and floating charge over all the assets and undertakings of the company and by a fixed charge over all the book debts now and from time to time due owing or incurred to the company

Hire Purchase arrangements are secured on the assets to which they relate

13	Creditors: amounts falling due after more than one year	2007	2006
		£'000	£'000
	Finance lease instalments falling due		
	In 1 to 2 years	574	2,412
	In 2 to 5 years	1,429	3,463
		<u>2,003</u>	<u>5,875</u>

14	Obligations under finance lease	2007	2006
		£'000	£'000
	The maturity of these amounts is as follows		
	Amounts payable		
	Within one year	901	2,636
	After one but less than two years	683	2,412
	In two to five years	1,546	3,463
		<u>3,130</u>	<u>8,511</u>
	Less finance charges allocated to future periods	(387)	-
		<u>2,743</u>	<u>8,511</u>
	Analysed as follows		
	Current obligations (note 12)	740	2,636
	Non-current obligations (note 13)	2,003	5,875
		<u>2,743</u>	<u>8,511</u>

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

15 Provisions for liabilities and charges

Deferred taxation

	£'000	
At 31 March 2006	436	
Movement during the year	(4)	
	432	
At 30 September 2007	432	

The total deferred tax consists of

	2007	2006
	£'000	£'000
Accelerated capital allowances	682	816
Other timing differences	(2)	(2)
Losses	(248)	-
ACT	-	378
	432	436
	432	436

16 Share capital

Authorised share capital

160,000 5 25% cumulative convertible participating preferred shares

Of £1 each

780,832 'A' ordinary shares of £1 each

59,168 'B' ordinary shares of £1 each

600,000 'Z' shares of £1 each

	2007	2006
	£'000	£'000
	160	160
	781	781
	59	59
	600	600
	1,600	1,600
	1,600	1,600

Allotted, called up and fully paid

	2007	2007	2006	2006
	No	£'000	No	£'000
5 25% cumulative convertible participating				
Preferred ordinary shares of £1 each	160,000	160	160,000	160
'A' ordinary shares of £1 each	372,512	372	372,512	372
'B' ordinary shares of £1 each	56,851	57	56,851	57
'Z' shares of £1 each	600,000	600	600,000	600
	1,189,363	1,189	1,189,363	1,189
	1,189,363	1,189	1,189,363	1,189

Cumulative convertible participating preferred ordinary shares

The cumulative convertible participating preferred ordinary shares, which carry one vote per share, are equity shares

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

16 Share capital (continued...)

'A' and 'B' ordinary shares

The 'A' and 'B' ordinary shares, which carry one vote per share, are equity shares

No dividend shall be declared or paid until the aggregate dividend amount of Z share dividends equals £600,000 (see below) Thereafter the 'A' and 'B' ordinary shares can receive, at the discretion of the directors, a dividend per share not greater than the amount paid on the cumulative convertible participating preferred ordinary shares for each financial year (subject to a restriction on payment of the dividends to 'B' ordinary shareholders in the first two financial years of issue)

After payment of the cumulative dividends attributable to the convertible participating preferred ordinary shares and the dividends attributable to the 'A' and 'B' ordinary shareholder, the 'A' and 'B' ordinary shares rank pari passu with the cumulative convertible participating preferred ordinary shares of the company and as such carry the right to share in the profits which the company determines to distribute in each financial year

On return of capital the 'A' and 'B' ordinary shares rank third for payment of an amount equal to the amount of capital paid on each cumulative convertible participating preferred ordinary share They then rank equally with the cumulative convertible participating preferred ordinary shares in any further distribution

'Z' shares

The holders of 'Z' shares shall be entitled to receive notice of and to attend and speak but not vote at any general meeting of the company

The holders of the 'Z' shares shall be entitled to an aggregate dividend equal to 0.5% of the post tax profit once it has exceeded £5,000,000 When the aggregate amount of 'Z' dividends reaches £600,000 the 'Z' shares shall cease to be entitled to any further dividends

On a return on capital the 'Z' shares will be paid first with an amount equal to the exit amount, which shall be distributed to the holders of 'Z' shares pro rata, according to the amounts paid up on 'Z' shares held by them respectively The exit amount is defined as the par value of the 'Z' shares less the aggregate dividends paid on them from the date of issue to the exit date

17 Reconciliation of movements in shareholders' funds

	Share Capital	Share premium account	Capital Redemption reserve	Profit and Loss Account	Total share- holders' funds
	£'000	£'000	£'000	£'000	£'000
At 1 April 2006	1189	8	59	235	1,491
Profit for the year	-	-	-	1,466	1,466
	-----	-----	-----	-----	-----
At 30 September 2007	1,189	8	59	1,701	2,957
	-----	-----	-----	-----	-----

COOPER CLEGG LIMITED

NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2007 (CONTINUED)

18	Operating leases	2007 £'000	2006 £'000
	Annual commitments payable for leases expiring -		
	On vehicles and equipment -		
	Within one year	96	95
		<u> </u>	<u> </u>
	On land and buildings -		
	Between 2 and 5 years	187	149
	After 5 years	710	746
		<u> </u>	<u> </u>
		<u>897</u>	<u>895</u>
19	Capital commitments	2007 £'000	2006 £'000
	Contracted for but not provided for in the accounts	Nil	Nil
		<u> </u>	<u> </u>
20	Contingent liabilities		
	The company has joined with its fellow subsidiaries and holding company in an unlimited guarantee of any amount due from them to HSBC Bank plc. At the year end net group indebtedness subject to those guarantees amounted to £15,580,084 (2006 £6,075,053)		
21	Ultimate holding company		
	The company's immediate parent and ultimate holding company is G A Pindar & Son Limited which is incorporated in England. Copies of its group accounts, which include the company, are available from Thornburgh Road, Eastfield, Scarborough, YO11 3UY		