

Adare International Limited

Directors' report
and financial statements

18 month period ended 31 October 2009

Registered number 1610897

THURSDAY



A13

AEISFJ62

15/04/2010

COMPANIES HOUSE

471

Adare International Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities	5
Independent auditor's report	6
Statement of accounting policies	8
Profit and loss account	10
Balance sheet	11
Notes forming part of the financial statements	12

Adare International Limited

Directors and other information

Directors	R Whiteside S Ueckermann K Herbert
Secretary	Marrons Consultancies Limited Meridian Business Park Leicester LE19 1WY
Registered office	Meridian Business Park Leicester LE19 1WY
Solicitors	Marrons Solicitors Meridian Business Park Leicester LE19 1WY
Bankers	The Bank of Scotland Lisbon House 116 Wellington Street Leeds LS1 4LT
Auditor	KPMG Chartered Accountants 1 Stokes Place St Stephen's Green Dublin 2 Ireland

Adare International Limited

Directors' report

The directors present their annual report and the audited financial statements of the company for the 18 month period ended 31 October 2009

Results and dividends

The profit for the period after taxation, attributable to shareholders amounted to £1,161,000 (year ended 30 April 2008 £746,000) The directors do not recommend the payment of a dividend

Principal activity and review of the development of the business

The company has one class of business being print management, data services, creative design, and storage & logistics services The directors believe that the company continues to be well placed to meet the opportunities that may arise in the future

Risks and uncertainties

The directors consider that the principal risks and uncertainties facing the company are as follows

Economic risk

- The risk of increased interest rates and/ or inflation having an adverse impact on served markets,
- The risk of unrealistic increases in wages or infrastructural cost impacting adversely on competitiveness of the company and its principal customers

These risks are managed by the use of alternative sourcing of products and services and strict control of costs

Competition risk

The directors of the company manage competition risk through close attention to customer service levels

Financial risk

The company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk

Adare International Limited

Directors' report *(continued)*

Key performance indicators

Key performance indicators which are focused on by management include.

- sales/gross profit reports analysed by division, salesperson and product
- daily cash/bank reports
- monthly management accounts showing divisional trading results, detailed overhead expenses, balance sheet and cash flow reports
- monthly variance reports analysing sales, gross profit, expenses and cash flow variances
- monthly aged debtor reports analysed by division

Post balance sheet events

There have been no significant events affecting the company since 31 October 2009.

Supplier payment policy

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with. At 31 October 2009, the company had an average of 52 days purchases outstanding in creditors.

Directors and their interests

The directors who held office during the period and subsequent to the period end are listed on page 1. In accordance with the company's articles of association, the directors are not required to retire by rotation.

The directors and their spouses and minor children have no interest in the shares of the company.

R Whiteside and K Herbert were directors of the company's ultimate parent undertaking at 31 October 2009, ACICS Limited, and their interests are disclosed in that company's financial statements.

Adare International Limited

Directors' report *(continued)*

Directors and their interests *(continued)*

The interests of the other director and the company secretary in office at 31 October 2009, including interests of their spouses and minor children, in the share capital and loan notes of ACICS Limited at the beginning of the period (or date of appointment if later) were

<i>Name of director</i>	<i>Description of Instrument</i>	<i>31 October 2009</i>	<i>30 April 2008</i>
		<i>Number</i>	<i>Number</i>
S Ueckermann	Ordinary shares	125,469	125,469

There are no other interests requiring disclosure under the Companies Act 1985

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

Auditor

Pursuant to Section 487 of the Companies Act, 2006, the auditor will be deemed to be reappointed and KPMG, Chartered Accountants, will therefore continue in office

On behalf of the board



K Herbert
Director

22 December 2009

Adare International Limited

Statement of directors' responsibilities

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 period. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to 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 these 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 UK 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 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 its financial statements comply with the Companies Act, 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

On behalf of the board



K Herbert
Director



KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

Independent auditor's report to the members of Adare International Limited

We have audited the financial statements of Adare International Limited for the 18 month period ended 31 October 2009 which comprises the profit and loss account, balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 495 and 496 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 described more fully in the Statement of Directors' Responsibilities on page 5, the directors are responsible for preparing the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. Further details of the scope of an audit of financial statements are provided on the Auditing Practices Board's website at <http://www.apb.org.uk/apb/scope>.

Opinion

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 October 2009 and of its profit for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act, 2006



Independent auditor's report to the members of Adare International Limited
(continued)

Opinion on other matter prescribed by the Companies Act, 2006

In our opinion the information given in the Directors' Report 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

Tom McEvoy (Senior Statutory Auditor)
For and on behalf of KPMG, Statutory Auditor
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

22 December 2009

Adare International Limited

Statement of accounting policies

for the 18 month period ended 31 October 2009

Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in England and Wales

Cash flow statement

The company has availed of the exemption available in FRS 1 - Cash Flow Statements (Revised), not to present a cash flow statement as it is a wholly owned subsidiary undertaking of ACICS Limited, a company incorporated in England which prepares a consolidated cash flow statement which includes the cash flows of this company

Turnover

Turnover represents the fair value of goods excluding Value Added Tax, delivered to or collected by third party customers in the year. Goods are deemed to have been delivered to customers, when the customer has access to the significant benefits inherent in the goods and exposure to the risks inherent in those benefits

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value comprises the actual or estimated selling price (net of trade discounts) less all other further cost to be incurred in marketing, selling and distribution

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided to write off the cost of the assets over their expected useful lives at the following rates

Leasehold improvements	-	over the period of the lease
Plant and equipment	-	12.5% to 25% per annum on cost
Fixtures and fittings	-	10% per annum on cost

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable

Adare International Limited

Statement of accounting policies *(continued)*

Taxation

Corporation tax is calculated based on the taxable profits for the year. 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, or a right to pay less tax in the future have occurred at the balance sheet date, with the following exceptions

- 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 difference 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

Pension costs

The company operates a defined contribution scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Leased assets

Rent payable in respect of assets held under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Adare International Limited

Profit and loss account

for the 18 month period ended 31 October 2009

	<i>Note</i>	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
Turnover – continuing operations	<i>1</i>	70,258	42,934
Operating costs	<i>2</i>	(69,511)	(42,354)
		<hr/>	<hr/>
Operating profit – continuing operations	<i>3</i>	747	580
Interest receivable	<i>4</i>	842	595
Interest payable and similar charges	<i>5</i>	(9)	(29)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		1,580	1,146
Taxation on profit on ordinary activities	<i>9</i>	(419)	(400)
		<hr/>	<hr/>
Profit retained for the financial period	<i>16</i>	1,161	746
		<hr/>	<hr/>

The company had no recognised gains or losses in the current financial period or preceding financial year other than those dealt with in the profit and loss account.

On behalf of the board



K Herbert
Director

Adare International Limited

Balance sheet at 31 October 2009

	<i>Note</i>	31 October 2009 £'000	30 April 2008 £'000
Fixed assets			
Tangible assets	<i>10</i>	1,463	1,165
		<hr/>	<hr/>
Current assets			
Stocks	<i>11</i>	756	1,140
Debtors	<i>12</i>	25,112	18,904
Cash at bank and in hand		2,978	2,705
		<hr/>	<hr/>
		28,846	22,749
Creditors: amounts falling due within one year	<i>14</i>	(17,418)	(12,184)
		<hr/>	<hr/>
Net current assets		11,428	10,565
		<hr/>	<hr/>
Net assets		12,891	11,730
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	<i>15</i>	1	1
Profit and loss account	<i>16</i>	12,890	11,729
		<hr/>	<hr/>
Equity shareholders' funds	<i>17</i>	12,891	11,730
		<hr/>	<hr/>

On behalf of the board


K Herbert
Director

Adare International Limited

Notes

forming part of the financial statements

1 Turnover

Segmental analysis has not been given, as, in the opinion of the directors, to do so would be seriously prejudicial to the interests of the company

2 Operating costs

	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
(Decrease)/increase in stocks	(384)	36
Raw materials and consumables	48,247	30,243
Depreciation - owned assets	673	433
Operating lease rentals and hire charges		
- land and buildings	1,649	558
- plant and machinery	85	30
- other	204	140
Other operating charges	6,624	4,654
Staff costs		
- wages and salaries	11,023	5,513
- social security costs	1,144	589
- pension costs	215	119
Other operating (income)/expenses	31	39
	<hr/>	<hr/>
	69,511	42,354
	<hr/>	<hr/>

3 Operating profit

	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
This is stated after charging		
Directors' emoluments (see note 6)	251	153
Auditor's remuneration		
- audit services	23	15
Management charges	374	1,382
	<hr/>	<hr/>

Adare International Limited

Notes (continued)

4 Interest receivable	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
Bank interest receivable	31	34
Amount received/receivable from group undertakings	811	561
	<hr/>	<hr/>
	842	595
	<hr/>	<hr/>
5 Interest payable and similar charges	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
On bank overdrafts wholly repayable other than by instalments, within five years	9	29
	<hr/>	<hr/>
6 Directors' emoluments	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
Emoluments	234	143
Pension contributions	17	10
	<hr/>	<hr/>
	251	153
	<hr/>	<hr/>

The emoluments of the highest paid director excluding pension contributions were £234,049 (2008 £143,385). Contributions to defined contribution arrangements on behalf of the highest paid director amounted to £16,938 for the year (2008 £10,265).

Two (2008 two) of the directors are also directors of other group undertakings. These directors do not believe that it is practical to apportion their emoluments between their services as directors of the company and their services as directors of other group undertakings. The above disclosure therefore assumes their emoluments to be £Nil. The emoluments of these directors are disclosed in the financial statements of the ultimate parent undertaking at 31 October 2009, ACICS Limited, a company registered in England and Wales. Details on the availability of the financial statements of ACICS Limited are set out in note 20.

Adare International Limited

Notes (continued)

7 Employees

The average number of employees during the period analysed by function, comprised

	18 month period ended 31 October 2009 Number	Year ended 30 April 2008 Number
Management	5	5
Administration	227	189
	<hr/>	<hr/>
	232	194
	<hr/>	<hr/>

8 Pensions

The group of which the company is a member operates defined contribution pension arrangements for its employees. Contributions are invested with insurance companies and are thus held in independently administered funds. Details of pension contributions are as follows

	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
Charge for period		
Defined contribution arrangements	215	119
	<hr/>	<hr/>

Adare International Limited

Notes (continued)

9 Tax on profit on ordinary activities

(a) Analysis of charge in period

	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
<i>Current tax</i>		
UK corporation tax charge for the period	649	490
Prior year over provision in corporation tax	(10)	-
	<hr/>	<hr/>
	639	490
<i>Deferred tax</i>		
Origination and reversal of timing differences	(220)	(104)
Adjustment in respect of prior periods	-	14
	<hr/>	<hr/>
	(220)	(90)
	<hr/>	<hr/>
Tax charge on profit on ordinary activities	<hr/> 419 <hr/>	<hr/> 400 <hr/>

(b) Factors affecting current tax charge in period

The tax assessed for the period is higher (2008 higher) than the standard rate of corporation tax in the United Kingdom. The differences are explained below

	18 month period ended 31 October 2009 £'000	Year ended 30 April 2008 £'000
Profit on ordinary activities before tax	1,580	1,146
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax of 28% (2008 29.8365%)	442	342
<i>Effects of</i>		
Expenses not deductible for tax purposes	50	30
Difference between depreciation and capital allowances	139	112
Prior year over provision in corporation tax	(10)	-
Other timing differences	18	(1)
Other adjustments	-	7
	<hr/>	<hr/>
Current tax charge for period (note 9 (a))	<hr/> 639 <hr/>	<hr/> 490 <hr/>

Adare International Limited

Notes (continued)

10 Tangible assets

	Short leasehold improvements £'000	Plant, equipment, fixtures and fittings £'000	Total £'000
<i>Cost</i>			
At 30 April 2008	629	2,881	3,510
Additions	74	820	894
Disposals	-	(54)	(54)
Transfer from fellow subsidiary undertaking	34	43	77
	<hr/>	<hr/>	<hr/>
At 31 October 2009	737	3,690	4,427
	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation</i>			
At 30 April 2008	389	1,956	2,345
Charge for period	67	606	673
Disposals	-	(54)	(54)
	<hr/>	<hr/>	<hr/>
At 31 October 2009	456	2,508	2,964
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 October 2009	281	1,182	1,463
	<hr/>	<hr/>	<hr/>
At 30 April 2008	240	925	1,165
	<hr/>	<hr/>	<hr/>

11 Stocks	31 October 2009 £'000	30 April 2008 £'000
Finished goods and work in progress	756	1,140
	<hr/>	<hr/>

In the opinion of the directors, the replacement cost of stocks at 31 October 2009, is not materially different to the carrying value as stated above

Adare International Limited

Notes (continued)

12 Debtors	31 October 2009 £'000	30 April 2008 £'000
Amounts falling due within one year		
Trade debtors	10,538	6,591
Amounts owed by group undertakings	10,711	9,378
Prepayments and accrued income	1,578	1,039
Other debtors	1,808	1,639
	<hr/>	<hr/>
Amounts falling due after one year:	24,635	18,647
Deferred tax asset (note 13)	477	257
	<hr/>	<hr/>
	25,112	18,904
	<hr/>	<hr/>
13 Deferred tax asset	31 October 2009 £'000	30 April 2008 £'000
At beginning of period	257	167
Credited to profit and loss account in period	220	90
	<hr/>	<hr/>
At end of period (note 12)	477	257
	<hr/>	<hr/>
<i>Deferred tax asset arise as follows</i>		
Timing differences	477	257
	<hr/>	<hr/>
14 Creditors: amounts falling due within one year	31 October 2009 £'000	30 April 2008 £'000
Trade creditors	10,349	7,037
Amounts owed to group undertakings	2,803	1,457
Other creditors	2,624	1,993
Corporation tax	648	1,035
Other taxes and social security	734	442
Accruals	260	220
	<hr/>	<hr/>
	17,418	12,184
	<hr/>	<hr/>

Adare International Limited

Notes (continued)

15 Called up share capital	31 October 2009 £'000	30 April 2008 £'000
-----------------------------------	--------------------------------------	------------------------------------

Authorised

1,000 ordinary shares of £1 each

1

1

Allotted, called up and fully paid

1,000 ordinary shares of £1 each

1

1

16 Profit and loss account	31 October 2009 £'000	30 April 2008 £'000
-----------------------------------	--------------------------------------	------------------------------------

Profit and loss at beginning of period

11,729

10,983

Profit for the year

1,161

746

Profit and loss at end of period

12,890

11,729

17 Reconciliation of shareholders' funds and movements on reserves

	Share capital £'000	Profit and loss account £'000	Total £'000
At 30 April 2008	1	11,729	11,730
Total recognised gains and losses for the period	-	1,161	1,161
At 31 October 2009	1	12,890	12,891

18 Lease commitments

Annual commitments under operating leases are as follows

	Land and buildings		Other	
	31 October 2009 £'000	30 April 2008 £'000	31 October 2009 £'000	30 April 2008 £'000
Leases expiring				
Within one year	504	-	158	49
Within two to five years	340	15	60	89
After five years	348	693	-	-
	1,192	708	218	138

Adare International Limited

Notes *(continued)*

19 Bank and other security

The bank loans, bank overdraft and loan notes of the ACICS Limited group are secured by way of a first debenture from certain group undertakings (including Adare International Limited) comprising a legal charge over properties owned by the group and a floating charge over all of the assets of such undertakings together with intergroup cross guarantees from certain group undertakings

20 Ultimate parent undertaking

The company is a wholly owned subsidiary of Continuous Stationery Limited. The company's ultimate parent undertaking is ACICS Limited. Both of the above companies are incorporated in England and Wales.

The only group accounts in which the results of Adare International Limited at 31 October 2009 are included is that of ACICS Limited. Copies of the consolidated financial statements of ACICS Limited are filed at Companies House, Crown Way, Cardiff.

21 Related party transactions

In accordance with FRS 8, the company has not disclosed its transactions with other group companies as its results are consolidated into the financial statements of its ultimate parent company which are publicly available.

22 Post balance sheet events

There have been no significant events affecting the company since 31 October 2009.

23 Approval of the financial statements

These financial statements were approved by the directors on 22 December 2009.