

Company Registration No 01696899 (England and Wales)

DENNY BROS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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DENNY BROS LIMITED

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DENNY BROS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of the company continued to be that of manufacturing 'Fix-a-Form' products and that of general printers

The objective of the company is to manage its financial risks as well as its other business risks within parameters agreed and approved by the company's directors

Credit risk is significant with large values owed to the company at any one time Debtors are therefore monitored on a daily basis and, if necessary, supply is withheld to induce payment

The company maintains significant cash assets to enable it to withstand swings in trade and to enable resources to be available to take advantage of future business opportunities, hence cashflow and liquidity risks are minimised

The directors monitor the performance of the company using a number of key performance indicators, including sales and profitability, cash generated, and customer satisfaction

Despite the fall in turnover the company remains profitable The directors consider that there is room for growth in particular markets in which the company operates

The company has continued to invest in capital assets, and the directors consider that adequate finance continues to be available

Results and dividends

The results for the year are set out on page 5

Directors

The following directors have held office since 1 January 2012

Mr R W Denny	(Deceased 10 October 2012)
Mr B D Denny	
Mr G D Denny	
Mr C L Hunt	
Mr S V Jarrold	

Auditors

In accordance with the Company's Articles, a resolution proposing that Ensors be reappointed as auditors of the company will be put at a General Meeting

DENNY BROS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

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 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 these financial statements, the directors are required to

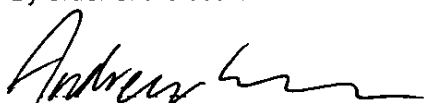
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Mr A H Denny
Secretary

DENNY BROS LIMITED

INDEPENDENT AUDITORS' REPORT TO DENNY BROS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of Denny Bros Limited for the year ended 31 December 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Malcolm McGready (Senior Statutory Auditor)
for and on behalf of Ensors

26 Sept 2013

Chartered Accountants
Statutory Auditor

Saxon House
Moseley's Farm Business Centre
Fornham All Saints
Bury St Edmunds
Suffolk
IP28 6JY

DENNY BROS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover		5,746,114	6,949,924
Other operating income less cost of sales		(3,043,693)	(3,418,600)
Distribution costs		(507,887)	(558,292)
Administrative expenses		(1,658,876)	(1,805,276)
Operating profit	2	535,658	1,167,756
Investment income	3	15,675	22,960
Other interest receivable and similar income		26,201	23,738
Interest payable and similar charges	4	-	(513)
Profit on ordinary activities before taxation		577,534	1,213,941
Tax on profit on ordinary activities	5	(120,646)	(304,204)
Profit for the year	15	456,888	909,737

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

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

DENNY BROS LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	7	1,674,724		1,764,505	
Investments	8	160,400		160,400	
		<u>1,835,124</u>		<u>1,924,905</u>	
Current assets					
Stocks	9	404,170		453,497	
Debtors	10	1,182,327		1,595,136	
Cash at bank and in hand		3,831,522		3,301,769	
		<u>5,418,019</u>		<u>5,350,402</u>	
Creditors, amounts falling due within one year	11	(582,904)		(344,052)	
Net current assets		<u>4,835,115</u>		<u>5,006,350</u>	
Total assets less current liabilities		<u>6,670,239</u>		<u>6,931,255</u>	
Provisions for liabilities	12	(118,932)		(152,539)	
		<u>6,551,307</u>		<u>6,778,716</u>	
Capital and reserves					
Called up share capital	14	100,000		100,000	
Share premium account	15	189,222		189,222	
Profit and loss account	15	6,262,085		6,489,494	
Shareholders' funds	16	<u>6,551,307</u>		<u>6,778,716</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on

25 Sept 2013

Mr B D Denny
Director

Mr G D Denny
Director

Company Registration No 01696899

DENNY BROS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	£	2012 £	£	2011 £
Net cash inflow from operating activities		1,632,646		1,710,737
Returns on investments and servicing of finance				
Interest received	26,201		23,738	
Interest paid	-		(513)	
Dividends received from participating interests	15,675		22,960	
Net cash inflow for returns on investments and servicing of finance		41,876		46,185
Taxation		(166,934)		(436,967)
Capital expenditure				
Payments to acquire tangible assets	(358,538)		(889,807)	
Receipts from sales of tangible assets	65,000		201,580	
Net cash outflow for capital expenditure		(293,538)		(688,227)
Equity dividends paid		(684,297)		(500,000)
Net cash inflow before management of liquid resources and financing		529,753		131,728
Decrease in debt	-		-	
Increase in cash in the year		529,753		131,728

DENNY BROS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

1	Reconciliation of operating profit to net cash outflow from operating activities	2012	2011		
		£	£		
	Operating profit	535,658	1,167,756		
	Depreciation of tangible assets	419,395	440,859		
	Profit on disposal of tangible assets	(36,076)	(38,933)		
	Decrease in stocks	49,327	92,567		
	Decrease in debtors	412,809	172,797		
	Increase/(decrease) in creditors within one year	251,533	(124,309)		
	Net cash inflow from operating activities	1,632,646	1,710,737		
2	Analysis of net funds	1 January 2012	Cash flow	Other non-cash changes	31 December 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	3,301,769	529,753	-	3,831,522
	Bank deposits	-	-	-	-
	Net funds	3,301,769	529,753	-	3,831,522
3	Reconciliation of net cash flow to movement in net funds	2012	2011		
		£	£		
	Increase in cash in the year	529,753	131,728		
	Movement in net funds in the year	529,753	131,728		
	Opening net funds	3,301,769	3,170,041		
	Closing net funds	3,831,522	3,301,769		

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1 /*1 Accounting convention

The financial statements are prepared under the historical cost convention

1 /*1 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1 /*1 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts, and is recognised on dispatch of the goods

1 /*1 Tangible fixed assets and depreciation

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

Land and buildings Leasehold	4% on cost
Plant and machinery	20% on reducing balance
Motor vehicles	25% on reducing balance

1 /*1 Leasing

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

1 /*1 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1 /*1 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value

1 /*1 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1 /*1 Deferred taxation

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

1 /*1 Foreign currency translation

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

1 /*1 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

3	Operating profit	2012 £	2011 £
	Operating profit is stated after charging		
	Depreciation of tangible assets	419,395	440,859
	Loss on disposal of tangible assets	-	3,300
	Operating lease rentals		
	- Plant and machinery	119,029	130,641
	Auditors' remuneration (including expenses and benefits in kind)	6,850	6,000
	and after crediting		
	Profit on disposal of tangible assets	(36,076)	(42,233)
	Profit on foreign exchange transactions	(6,491)	(7,921)
		<u> </u>	<u> </u>
4	Investment income	2012 £	2011 £
	Income from participating interests	15,675	22,960
	Bank interest	25,371	22,484
	Other interest	830	1,254
		<u> </u>	<u> </u>
		41,876	46,698
		<u> </u>	<u> </u>
5	Interest payable	2012 £	2011 £
	On overdue tax	-	513
		<u> </u>	<u> </u>

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

6	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	160,174	316,905
	Adjustment for prior years	(5,921)	-
	Total current tax	154,253	316,905
	Deferred tax		
	Origination and reversal of timing differences	(33,607)	(12,701)
		120,646	304,204
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	577,534	1,213,941
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2011 - 26.00%)	138,608	315,625
	Effects of		
	Non deductible expenses	42	453
	Capital allowances	160	898
	Adjustments to previous periods	(5,291)	-
	Dividends and distributions received	(3,762)	(5,970)
	Other tax adjustments	24,496	5,899
		15,645	1,280
	Current tax charge for the year	154,253	316,905
7	Dividends	2012 £	2011 £
	Ordinary final paid	684,297	500,000

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

8 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2012	16,657	6,715,638	47,606	6,779,901
Additions	-	338,407	20,131	358,538
Disposals	-	(215,500)	-	(215,500)
At 31 December 2012	16,657	6,838,545	67,737	6,922,939
Depreciation				
At 1 January 2012	5,843	4,983,200	26,353	5,015,396
On disposals	-	(186,576)	-	(186,576)
Charge for the year	665	408,384	10,346	419,395
At 31 December 2012	6,508	5,205,008	36,699	5,248,215
Net book value				
At 31 December 2012	10,149	1,633,537	31,038	1,674,724
At 31 December 2011	10,814	1,732,438	21,253	1,764,505

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

9 Fixed asset investments

	Shares in participating interests £
Cost	
At 1 January 2012 & at 31 December 2012	160,400
Net book value	
At 31 December 2012	160,400
At 31 December 2011	160,400

Holdings of more than 20%

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

Company	Country of registration or incorporation	Class	Shares held	%
Participating interests				
Fix-a-Form International Limited	England and Wales	Ordinary		40.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves 2012 £	Profit/(loss) for the year 2012 £
Principal activity		
Fix-a-Form International Limited Worldwide licencing	3,110,090	114,388

The directors consider that they do not exercise significant influence over this investment as they are not actively involved and are not influential in the direction of the company's policy decision-making and as such the investment is accounted for as a participating interest

10 Stocks and work in progress	2012 £	2011 £
Raw materials and consumables	241,214	257,099
Work in progress	162,956	196,398
	404,170	453,497

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

11 Debtors	2012	2011
	£	£
Trade debtors	860,589	1,222,494
Amounts owed by parent and fellow subsidiary undertakings	21,597	98,365
Amounts owed by participating interests	79,726	62,125
Other debtors	163,979	152,826
Prepayments and accrued income	56,436	59,326
	<u>1,182,327</u>	<u>1,595,136</u>
12 Creditors amounts falling due within one year	2012	2011
	£	£
Trade creditors	168,659	153,159
Amounts owed to parent and fellow subsidiary undertakings	258,534	384
Amounts owed to participating interests	1,671	16,693
Corporation tax	89,237	101,918
Other taxes and social security costs	52,680	59,775
Directors' current accounts	1,123	1,123
Accruals and deferred income	11,000	11,000
	<u>582,904</u>	<u>344,052</u>
13 Provisions for liabilities		Deferred tax liability
		£
Balance at 1 January 2012		152,539
Profit and loss account		(33,607)
Balance at 31 December 2012		<u>118,932</u>
The deferred tax liability is made up as follows		
	2012	2011
	£	£
Accelerated capital allowances	<u>118,932</u>	<u>152,539</u>
14 Pension and other post-retirement benefit commitments		

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

14 Pension and other post-retirement benefit commitments	(Continued)	
Defined contribution		
	2012	2011
	£	£
Contributions payable by the company for the year	97,890	130,863
15 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000
16 Statement of movements on reserves		
	Share premium account	Profit and loss account
	£	£
Balance at 1 January 2012	189,222	6,489,494
Profit for the year	-	456,888
Dividends paid	-	(684,297)
Balance at 31 December 2012	189,222	6,262,085
17 Reconciliation of movements in shareholders' funds	2012	2011
	£	£
Profit for the financial year	456,888	909,737
Dividends	(684,297)	(500,000)
Net (depletion in)/addition to shareholders' funds	(227,409)	409,737
Opening shareholders' funds	6,778,716	6,368,979
Closing shareholders' funds	6,551,307	6,778,716

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

18 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	Other 2012 £	2011 £
Operating leases which expire		
Within one year	27,716	7,836
Between two and five years	24,382	56,071
In over five years	37,880	5,460
	<u>89,978</u>	<u>69,367</u>

19 Directors' remuneration

	2012 £	2011 £
Remuneration for qualifying services	133,575	138,009
Company pension contributions to defined contribution schemes	29,818	26,353
	<u>163,393</u>	<u>164,362</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2011 - 4)

DENNY BROS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

20 Employees

Number of employees

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

	2012 Number	2011 Number
Production staff	58	62
Distribution staff	8	8
Administrative staff	14	14
Management staff	2	2
	<u>82</u>	<u>86</u>

Employment costs

	2012 £	2011 £
Wages and salaries	1,935,849	2,069,305
Social security costs	143,114	200,576
Other pension costs	97,890	130,863
	<u>2,176,853</u>	<u>2,400,744</u>

21 Ultimate parent company

The company operates under the day to day control of the directors, however the ultimate parent company is Denny Bros Holdings Limited, a company registered in the United Kingdom

Copies of the Denny Bros Holdings Limited group financial statements are available from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff