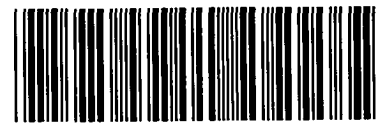


Company Registration No. 01696899 (England and Wales)

DENNY BROS LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

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DENNY BROS LIMITED

COMPANY INFORMATION

Directors	Mr B D Denny Mr G D Denny Mr C L Hunt Mr S V Jarrold
Secretary	Mr A H Denny
Company number	01696899
Registered office	Kempson Way Bury St Edmunds Suffolk IP32 7AR
Auditors	Ensors Saxon House Moseley's Farm Business Centre Fornham All Saints Bury St Edmunds Suffolk IP28 6JY

DENNY BROS LIMITED

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DENNY BROS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present the strategic report and financial statements for the year ended 31 December 2013.

Review of the business

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.



Mr A H Denny

Secretary

17 June 2014

DENNY BROS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and financial statements for the year ended 31 December 2013.

Principal activities

The principal activity of the company continued to be that of manufacturing 'Fix-a-Form' products and that of general printers. The review of the business is included within the Strategic Report on page 1.

Results and dividends

The results for the year are set out on page 6.

A final ordinary dividend was paid during the year amounting to £1,000,000.

Directors

The following directors have held office since 1 January 2013:

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.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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.

DENNY BROS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

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

17 June 2014

DENNY BROS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DENNY BROS LIMITED

We have audited the financial statements of Denny Bros Limited for the year ended 31 December 2013 set out on pages 6 to 19. 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 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 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 Ethical Standards for Auditors.

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 company's 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. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

DENNY BROS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF DENNY BROS LIMITED

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.

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

Chartered Accountants
Statutory Auditor

13/6/14

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

DENNY BROS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	5,231,504	5,746,114
Cost of sales		(2,948,414)	(3,175,324)
Gross profit		2,283,090	2,570,790
Distribution costs		(544,051)	(517,205)
Administrative expenses		(1,663,109)	(1,649,558)
Other operating income		115,689	131,631
Operating profit	3	191,619	535,658
Investment income	4	8,307	15,675
Other interest receivable and similar income	4	32,036	26,201
Interest payable and similar charges	5	(354)	-
Profit on ordinary activities before taxation		231,608	577,534
Tax on profit on ordinary activities	6	(52,462)	(120,646)
Profit for the year	16	179,146	456,888

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

BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	8	1,430,460		1,674,724	
Investments	9	160,400		160,400	
		<u>1,590,860</u>		<u>1,835,124</u>	
Current assets					
Stocks	10	452,477		404,170	
Debtors	11	1,122,923		1,182,327	
Cash at bank and in hand		2,987,919		3,831,522	
		<u>4,563,319</u>		<u>5,418,019</u>	
Creditors: amounts falling due within one year	12	(311,148)		(582,904)	
Net current assets		<u>4,252,171</u>		<u>4,835,115</u>	
Total assets less current liabilities		<u>5,843,031</u>		<u>6,670,239</u>	
Provisions for liabilities	13	(112,578)		(118,932)	
		<u>5,730,453</u>		<u>6,551,307</u>	
Capital and reserves					
Called up share capital	15	100,000		100,000	
Share premium account	16	189,222		189,222	
Profit and loss account	16	5,441,231		6,262,085	
Shareholders' funds	17	<u>5,730,453</u>		<u>6,551,307</u>	

Approved by the Board and authorised for issue on 17 June 2014

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 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		404,302		1,632,646
Returns on investments and servicing of finance				
Interest received	32,036		26,201	
Interest paid	(354)		-	
Dividends received from participating interests	8,307		15,675	
Net cash inflow for returns on investments and servicing of finance		39,989		41,876
Taxation		(149,479)		(166,934)
Capital expenditure				
Payments to acquire tangible assets	(148,540)		(358,538)	
Receipts from sales of tangible assets	10,125		65,000	
Net cash outflow for capital expenditure		(138,415)		(293,538)
Equity dividends paid		(1,000,000)		(684,297)
Net cash (outflow)/inflow before management of liquid resources and financing		(843,603)		529,753
(Decrease)/increase in cash in the year		(843,603)		529,753

DENNY BROS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

1 Reconciliation of operating profit to net cash outflow from operating activities		2013	2012
		£	£
Operating profit		191,619	535,658
Depreciation of tangible assets		359,765	419,395
Loss/(profit) on disposal of tangible assets		22,914	(36,076)
(Increase)/decrease in stocks		(48,307)	49,327
Decrease in debtors		60,830	412,809
(Decrease)/Increase in creditors within one year		(182,519)	251,533
Net cash inflow from operating activities		404,302	1,632,646

2 Analysis of net funds	1 January 2013	Cash flow	Other non-cash changes	31 December 2013
	£	£	£	£
Net cash:				
Cash at bank and in hand	3,831,522	(843,603)	-	2,987,919
Net funds	3,831,522	(843,603)	-	2,987,919

3 Reconciliation of net cash flow to movement in net funds		2013	2012
		£	£
(Decrease)/increase in cash in the year		(843,603)	529,753
Movement in net funds in the year		(843,603)	529,753
Opening net funds		3,831,522	3,301,769
Closing net funds		2,987,919	3,831,522

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 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).

1.3 Turnover

Turnover represents amounts receivable for printing and related services net of VAT and trade discounts, and is recognised upon completion of the order.

1.4 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

1.5 Leasing

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

1.6 Investments

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

1.7 Stock and work in progress

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

1.8 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.

1.9 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.

1.10 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.

1.11 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 FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

2 Turnover

Geographical market

	Turnover	
	2013	2012
	£	£
United Kingdom	4,222,242	4,661,095
Overseas Sales	1,009,262	1,085,019
	<u>5,231,504</u>	<u>5,746,114</u>

3 Operating profit

	2013	2012
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	359,765	419,395
Loss on disposal of tangible assets	24,198	-
Operating lease rentals		
- Plant and machinery	103,753	119,029
Auditors' remuneration (including expenses and benefits in kind)	5,250	6,850
and after crediting:		
Profit on disposal of tangible assets	(1,284)	(36,076)
Profit on foreign exchange transactions	(6,860)	(6,491)
	<u></u>	<u></u>

4 Investment income

	2013	2012
	£	£
Income from participating interests	8,307	15,675
Bank interest	31,310	25,371
Other interest	726	830
	<u>40,343</u>	<u>41,876</u>

5 Interest payable

	2013	2012
	£	£
Other interest	354	-
	<u></u>	<u></u>

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

6	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	62,286	160,174
	Adjustment for prior years	(3,470)	(5,921)
	Total current tax	<u>58,816</u>	<u>154,253</u>
	Deferred tax		
	Origination and reversal of timing differences	(6,354)	(33,607)
		<u>52,462</u>	<u>120,646</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>231,608</u>	<u>577,534</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2012 - 24.00%)	<u>53,270</u>	<u>138,608</u>
	Effects of:		
	Non deductible expenses	73	42
	Depreciation add back	153	160
	Capital allowances	10,040	21,875
	Adjustments to previous periods	(3,470)	(5,921)
	Dividends and distributions received	(1,910)	(3,762)
	Adjustment for marginal rates	(1,462)	3,251
	Other tax adjustments	2,122	-
		<u>5,546</u>	<u>15,645</u>
	Current tax charge for the year	<u>58,816</u>	<u>154,253</u>
7	Dividends	2013 £	2012 £
	Ordinary final paid	<u>1,000,000</u>	<u>684,297</u>

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

8 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2013	16,657	6,838,545	67,737	6,922,939
Additions	-	110,320	38,220	148,540
Disposals	-	(296,099)	(27,816)	(323,915)
At 31 December 2013	16,657	6,652,766	78,141	6,747,564
Depreciation				
At 1 January 2013	6,508	5,205,008	36,699	5,248,215
On disposals	-	(270,651)	(20,225)	(290,876)
Charge for the year	666	343,682	15,417	359,765
At 31 December 2013	7,174	5,278,039	31,891	5,317,104
Net book value				
At 31 December 2013	9,483	1,374,727	46,250	1,430,460
At 31 December 2012	10,149	1,633,537	31,038	1,674,724

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

9 Fixed asset investments

	Shares in participating interests £
Cost	
At 1 January 2013 & at 31 December 2013	160,400
Net book value	
At 31 December 2013	160,400
At 31 December 2012	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 2013 £	Profit/(loss) for the year 2013 £
	Principal activity		
Fix-a-Form International Limited	Worldwide licencing	3,136,403	47,082

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	2013 £	2012 £
	Raw materials and consumables	208,738	241,214
	Work in progress	243,739	162,956
		452,477	404,170

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

11 Debtors	2013 £	2012 £
Trade debtors	839,435	860,589
Amounts owed by parent and fellow subsidiary undertakings	7,685	21,597
Amounts owed by participating interests	62,796	79,726
Corporation tax	1,426	-
Other debtors	117,965	163,979
Prepayments and accrued income	93,616	56,436
	<u>1,122,923</u>	<u>1,182,327</u>

12 Creditors: amounts falling due within one year	2013 £	2012 £
Trade creditors	140,458	168,659
Amounts owed to parent and fellow subsidiary undertakings	107,955	258,534
Amounts owed to participating interests	1,046	1,671
Corporation tax	-	89,237
Other taxes and social security costs	52,566	52,680
Directors' current accounts	1,123	1,123
Accruals and deferred income	8,000	11,000
	<u>311,148</u>	<u>582,904</u>

13 Provisions for liabilities	Deferred tax liability £
Balance at 1 January 2013	118,932
Profit and loss account	(6,354)
Balance at 31 December 2013	<u>112,578</u>

The deferred tax liability is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	<u>112,578</u>	<u>118,932</u>

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

14 Pension and other post-retirement benefit commitments Defined contribution

	2013 £	2012 £
Contributions payable by the company for the year	108,972	97,890

15 Share capital

	2013 £	2012 £
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 2013	189,222	6,262,085
Profit for the year	-	179,146
Dividends paid	-	(1,000,000)
Balance at 31 December 2013	189,222	5,441,231

17 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	179,146	456,888
Dividends	(1,000,000)	(684,297)
Net depletion in shareholders' funds	(820,854)	(227,409)
Opening shareholders' funds	6,551,307	6,778,716
Closing shareholders' funds	5,730,453	6,551,307

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

18 Directors' remuneration	2013	2012
	£	£
Remuneration for qualifying services	124,712	133,575
Company pension contributions to defined contribution schemes	35,641	29,818
	<u>160,353</u>	<u>163,393</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2012 - 2).

19 Financial commitments

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

	Other	
	2013	2012
	£	£
Operating leases which expire:		
Within one year	50,936	27,716
Between two and five years	48,942	24,382
In over five years	-	37,880
	<u>99,878</u>	<u>89,978</u>

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

20 Employees

Number of employees

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

	2013 Number	2012 Number
Production staff	53	58
Distribution staff	9	8
Administrative staff	15	14
Management staff	2	2
	<hr/> 79	<hr/> 82
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2013 £	2012 £
Wages and salaries	1,807,532	1,935,849
Social security costs	156,701	143,114
Other pension costs	108,972	97,890
	<hr/> 2,073,205	<hr/> 2,176,853
	<hr/> <hr/>	<hr/> <hr/>

21 Control

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.

DENNY BROS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

22 Related party relationships and transactions

Mr B D Denny is a director and shareholder in Denny Bros Supplies Limited.

During the year, the company made purchases from Denny Bros Supplies Limited of £11,555 (2012: £10,065).

At the year end, the company was owed £1,860 (2012: £32,522) by Denny Bros Supplies Limited.

The company owns 40% of the share capital of Fix-a-Form International Limited and Mr G D Denny and Mr B D Denny are directors of this company.

During the year the company received royalties of £115,689 (2012: £137,606) and dividends of £8,307 (2012: £15,675) from Fix-a-Form International Limited. It also made purchases of £96,892 (2012: £108,177) and paid royalties of £3,914 (2012: £2,224) to that company.

At the year end the company was owed £62,796 (2012: £78,055) by Fix-a-Form International Limited and owed £1,046 (2012: £1,671) to the same company.

The company has taken advantage of the exemption permitted by Financial Reporting Standard No 8 not to disclose transactions with its fellow group companies that are included within the consolidated accounts. Copies of the group consolidated financial statements can be obtained from Companies House.