

Company Registration No. 01703368 (England and Wales)

ODESSA PRINT GROUP LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

WEDNESDAY



A3NE4RUW

A12

24/12/2014

#114

COMPANIES HOUSE

ODESSA PRINT GROUP LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | L S Matthews R M Charles |
| Secretary | Mrs J Charles |
| Company number | 01703368 |
| Registered office | Lynwood House Crofton Road Orpington Kent BR6 8QE |
| Auditors | Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE |
| Business address | Core Unit Oakfield Road London SE20 8RA |
| Bankers | Lloyds TSB Bank Plc Threadneedle Street London EC4 |

ODESSA PRINT GROUP LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Strategic report | 1 |
| Directors' report | 2 - 3 |
| Independent auditors' report | 4 - 5 |
| Profit and loss account | 6 |
| Balance sheet | 7 |
| Cash flow statement | 8 |
| Notes to the cash flow statement | 9 |
| Notes to the financial statements | 10 - 17 |

ODESSA PRINT GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2014

Review of the business

Odessa Print Group Limited is one of the industry's top printing firms and continues to remain committed to the field, whilst remaining competitive in all aspects.

The company continues to implement strategies as agreed by the directors and is fully focused on the future without impacting on services delivered to current customers.

The future plans of the company is to continue the growth of the company whilst ensuring a return to profitability is achieved in 2015.

Principal risks and uncertainties

The downturn in UK economy has affected the profitability of the company this year, but the directors are seeking to grow the company and return to profitability with continued work and commitment.

Results

The results for the year are set out on page 6 and shows that the company has had a difficult trading year in a difficult climate. However, an increase in turnover to £10,235,088 from £9,398,082 in 2013 has been achieved and all systems are now in place to enable the turnover to increase further in 2015 whilst costs will remain stable at 2014 levels.

The results for the year and the financial position, as disclosed in the balance sheet on page 7, show that the company has net assets of £308,172 (2013 : £566,182).

This is having taken into account expenditure in excess of £100,000 in acquiring and adapting new premises and relocating numerous machines to enhance the efficiency of the operation.

To this end, we have increased our capacity with an additional 10,000 sq.ft. in Biggin Hill and an additional Uvistar reel to reel machine. Since the year end, we have acquired an additional 10,000 sq.ft. in an adjoining unit at Biggin Hill and installed a Xerox IGen machine to meet the additional point of sale demands.

Gross margins are 22.6% compared to 25.5% in 2013.



L S Matthews

Director

22 December 2014

ODESSA PRINT GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Principal activities

The principal activity of the company continued to be that of printers, specialising in the large format poster market and expanding into all point of sale materials.

Results and dividends

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

During the year, the company has paid out dividends of £nil.

Directors

The following directors have held office since 1 April 2013:

L S Matthews
R M Charles

Directors' interests

The directors' interests in the shares of the company were as stated below:

| | Ordinary shares of £1 each | |
|--------------|----------------------------|---------------|
| | 31 March 2014 | 31 March 2013 |
| L S Matthews | 625 | 625 |
| R M Charles | 625 | 625 |

Auditors

In accordance with the Company's Articles, a resolution proposing that Baxter & Co be reappointed as auditors of the company will be put to the General Meeting.

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.

ODESSA PRINT GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

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.

On behalf of the board



L S Matthews
Director

22 December 2014

ODESSA PRINT GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ODESSA PRINT GROUP LIMITED

We have audited the financial statements of Odessa Print Group Limited for the year ended 31 March 2014 set out on pages 6 to 17. 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:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

ODESSA PRINT GROUP LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF ODESSA PRINT GROUP 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.



**David McDonald Cheek FCCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co**

23 December 2014

**Chartered Certified Accountants
Statutory Auditor**

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

ODESSA PRINT GROUP LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2014

| | Notes | 2014 £ | 2013 £ |
|---|-----------|------------------|------------------|
| Turnover | 2 | 10,235,088 | 9,398,082 |
| Cost of sales | | (7,918,571) | (6,996,361) |
| Gross profit | | 2,316,517 | 2,401,721 |
| Distribution costs | | (1,139,213) | (1,017,022) |
| Administrative expenses | | (1,408,412) | (1,215,168) |
| Operating (loss)/profit | 3 | (231,108) | 169,531 |
| Other interest receivable and similar income | 4 | 112 | - |
| Interest payable and similar charges | 5 | (49,470) | (81,388) |
| (Loss)/profit on ordinary activities before taxation | | (280,466) | 88,143 |
| Tax on (loss)/profit on ordinary activities | 6 | 22,457 | (39,701) |
| (Loss)/profit for the year | 14 | (258,009) | 48,442 |

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.

ODESSA PRINT GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2014

| | Notes | 2014 £ | £ | 2013 £ | £ |
|--|-------|-------------|---|-------------|---|
| Fixed assets | | | | | |
| Tangible assets | 7 | 2,118,939 | | 2,138,787 | |
| Current assets | | | | | |
| Stocks | 8 | 259,087 | | 120,375 | |
| Debtors | 9 | 2,772,067 | | 2,945,831 | |
| Cash at bank and in hand | | 42,409 | | 25,934 | |
| | | 3,073,563 | | 3,092,140 | |
| Creditors: amounts falling due within one year | 10 | (4,166,016) | | (4,179,262) | |
| Net current liabilities | | (1,092,453) | | (1,087,122) | |
| Total assets less current liabilities | | 1,026,486 | | 1,051,665 | |
| Creditors: amounts falling due after more than one year | 11 | (476,770) | | (274,601) | |
| Provisions for liabilities | 12 | (241,544) | | (210,882) | |
| | | 308,172 | | 566,182 | |
| Capital and reserves | | | | | |
| Called up share capital | 13 | 1,250 | | 1,250 | |
| Profit and loss account | 14 | 306,922 | | 564,932 | |
| Shareholders' funds | 15 | 308,172 | | 566,182 | |

Approved by the Board and authorised for issue on 22 December 2014


L S Matthews
Director


R M Charles
Director

Company Registration No. 01703368

ODESSA PRINT GROUP LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2014

| | £ | 2014 £ | £ | 2013 £ |
|--|-----------|-----------|-----------|-----------|
| Net cash inflow from operating activities | | 5,399 | | 830,372 |
| Returns on investments and servicing of finance | | | | |
| Interest received | 112 | | - | |
| Interest paid | (49,470) | | (81,388) | |
| Net cash outflow for returns on investments and servicing of finance | | (49,358) | | (81,388) |
| Taxation | | (53,141) | | (34,993) |
| Capital expenditure | | | | |
| Payments to acquire tangible assets | (340,460) | | (127,412) | |
| Net cash outflow for capital expenditure | | (340,460) | | (127,412) |
| Net cash (outflow)/inflow before management of liquid resources and financing | | (437,560) | | 586,579 |
| Financing | | | | |
| Other new short term loans | 128,140 | | - | |
| Repayment of other short term loans | (33,856) | | - | |
| Capital element of hire purchase contracts | 294,454 | | (495,699) | |
| Net cash inflow/(outflow) from financing | | 388,738 | | (495,699) |
| (Decrease)/increase in cash in the year | | (48,822) | | 90,880 |

ODESSA PRINT GROUP LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

| 1 Reconciliation of operating (loss)/profit to net cash outflow from operating activities | | 2014 | 2013 |
|---|--|--------------|----------------|
| | | £ | £ |
| Operating (loss)/profit | | (231,108) | 169,531 |
| Depreciation of tangible assets | | 357,671 | 363,154 |
| Loss on disposal of tangible assets | | 2,637 | - |
| Increase in stocks | | (138,712) | (8,643) |
| Decrease/(increase) in debtors | | 226,883 | (724,695) |
| (Decrease)/Increase in creditors within one year | | (211,972) | 1,031,025 |
| Net cash inflow from operating activities | | 5,399 | 830,372 |

| 2 Analysis of net debt | 1 April 2013 | Cash flow | Other non-cash changes | 31 March 2014 |
|-----------------------------------|-------------------------|-------------------------|------------------------|-------------------------|
| | £ | £ | £ | £ |
| Net cash: | | | | |
| Cash at bank and in hand | 25,934 | 16,475 | - | 42,409 |
| Bank overdrafts | (60,769) | (65,297) | - | (126,066) |
| | <u>(34,835)</u> | <u>(48,822)</u> | <u>-</u> | <u>(83,657)</u> |
| Bank deposits | - | - | - | - |
| Debt: | | | | |
| Finance leases | (467,980) | (294,455) | - | (762,435) |
| Debts falling due within one year | - | (94,284) | - | (94,284) |
| | <u>(467,980)</u> | <u>(388,739)</u> | <u>-</u> | <u>(856,719)</u> |
| Net debt | <u>(502,815)</u> | <u>(437,561)</u> | <u>-</u> | <u>(940,376)</u> |

| 3 Reconciliation of net cash flow to movement in net debt | | 2014 | 2013 |
|--|--|-------------------------|-------------------------|
| | | £ | £ |
| (Decrease)/increase in cash in the year | | (48,822) | 90,880 |
| Cash (inflow)/outflow from (increase)/decrease in debt and lease financing | | (388,739) | 495,699 |
| Movement in net debt in the year | | (437,561) | 586,579 |
| Opening net debt | | (502,815) | (1,089,394) |
| Closing net debt | | <u>(940,376)</u> | <u>(502,815)</u> |

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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:

| | |
|----------------------------------|--|
| Leasehold land and buildings | Over the life of the lease |
| Plant and machinery | Between 10% on cost and 20% reducing balance |
| Fixtures, fittings and equipment | 15% - 20% Reducing balance |
| Motor vehicles | 25% Reducing balance |

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date at the average rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

| | | | |
|----------|--|-------------------|-------------------|
| 3 | Operating (loss)/profit | 2014 | 2013 |
| | | £ | £ |
| | Operating (loss)/profit is stated after charging: | | |
| | Depreciation of tangible assets | 357,671 | 363,154 |
| | Loss on disposal of tangible assets | 2,637 | - |
| | Operating lease rentals | | |
| | - Plant and machinery | 42,102 | 5,874 |
| | - Other assets | 162,083 | 121,997 |
| | Auditors' remuneration (including expenses and benefits in kind) | 13,750 | 15,442 |
| | | <u> </u> | <u> </u> |
| 4 | Investment income | 2014 | 2013 |
| | | £ | £ |
| | Bank interest | 112 | - |
| | | <u> </u> | <u> </u> |
| | | 112 | - |
| | | <u> </u> | <u> </u> |
| 5 | Interest payable | 2014 | 2013 |
| | | £ | £ |
| | On other loans wholly repayable within five years | 2,361 | - |
| | Hire purchase interest | 47,109 | 81,365 |
| | Other interest | - | 23 |
| | | <u> </u> | <u> </u> |
| | | 49,470 | 81,388 |
| | | <u> </u> | <u> </u> |

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

| 6 | Taxation | 2014 £ | 2013 £ |
|---|--|-----------|-----------|
| | Domestic current year tax | | |
| | U.K. corporation tax | (53,119) | 54,144 |
| | Total current tax | (53,119) | 54,144 |
| | Deferred tax | | |
| | Deferred tax charge/credit current year | 30,662 | (14,443) |
| | | (22,457) | 39,701 |
| | Factors affecting the tax charge for the year | | |
| | (Loss)/profit on ordinary activities before taxation | (280,466) | 88,143 |
| | (Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 20.00%) | (56,093) | 17,629 |
| | Effects of: | | |
| | Non deductible expenses | 20,582 | 21,454 |
| | Depreciation add back | 71,534 | 72,631 |
| | Capital allowances | (89,394) | (57,570) |
| | Tax losses carried forward/utilised | 252 | - |
| | | 2,974 | 36,515 |
| | Current tax charge for the year | (53,119) | 54,144 |

The company has estimated losses of £ 992 (2013 - £ nil) available for carry forward against future trading profits.

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

7 Tangible fixed assets

| | Leasehold land and buildings £ | Plant and machinery £ | Fixtures, fittings and equipment £ | Motor vehicles £ | Total £ |
|-----------------------|---|-----------------------------|---|------------------------|------------|
| Cost | | | | | |
| At 1 April 2013 | 228,507 | 6,055,073 | 283,628 | 87,800 | 6,655,008 |
| Additions | - | 278,542 | 61,918 | - | 340,460 |
| Disposals | - | - | - | (5,000) | (5,000) |
| At 31 March 2014 | 228,507 | 6,333,615 | 345,546 | 82,800 | 6,990,468 |
| Depreciation | | | | | |
| At 1 April 2013 | 168,535 | 4,076,288 | 222,839 | 48,559 | 4,516,221 |
| On disposals | - | - | - | (2,363) | (2,363) |
| Charge for the year | 20,057 | 303,911 | 24,047 | 9,656 | 357,671 |
| At 31 March 2014 | 188,592 | 4,380,199 | 246,886 | 55,852 | 4,871,529 |
| Net book value | | | | | |
| At 31 March 2014 | 39,915 | 1,953,416 | 98,660 | 26,948 | 2,118,939 |
| At 31 March 2013 | 59,972 | 1,978,785 | 60,789 | 39,241 | 2,138,787 |

Included above are assets held under finance leases or hire purchase contracts as follows:

| | Plant and machinery £ | Motor vehicles £ | Total £ |
|---|-----------------------------|------------------------|------------|
| Net book values | | | |
| At 31 March 2014 | 1,637,973 | - | 1,637,973 |
| At 31 March 2013 | 513,401 | 31,303 | 544,704 |
| Depreciation charge for the year | | | |
| At 31 March 2014 | 195,105 | - | 195,105 |
| At 31 March 2013 | 177,844 | 8,705 | 186,549 |

| 8 Stocks | 2014 £ | 2013 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 259,087 | 120,375 |

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

| 9 | Debtors | 2014 £ | 2013 £ |
|----|--|------------------|------------------|
| | Trade debtors | 2,636,632 | 2,911,642 |
| | Corporation tax | 53,119 | - |
| | Other debtors | 32,527 | - |
| | Prepayments and accrued income | 49,789 | 34,189 |
| | | <u>2,772,067</u> | <u>2,945,831</u> |
| 10 | Creditors: amounts falling due within one year | 2014 £ | 2013 £ |
| | Bank loans and overdrafts | 126,066 | 60,769 |
| | Net obligations under hire purchase contracts | 285,665 | 193,379 |
| | Trade creditors | 1,660,617 | 1,642,443 |
| | Invoice financing creditor | 1,692,250 | 1,870,421 |
| | Corporation tax | 451 | 53,592 |
| | Other taxes and social security costs | 220,671 | 285,790 |
| | Directors' current accounts | 30,719 | 3,972 |
| | Other creditors | 112,458 | - |
| | Accruals and deferred income | 37,119 | 68,896 |
| | | <u>4,166,016</u> | <u>4,179,262</u> |

The invoice financing creditor is secured by a fixed and floating charge over the trade debtors of the company.

The bank overdraft is secured by a fixed charge over all present leasehold property

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

| 11 | Creditors: amounts falling due after more than one year | 2014 £ | 2013 £ |
|----|---|-----------|-----------|
| | Net obligations under hire purchase contracts | 476,770 | 274,601 |
| | Net obligations under hire purchase contracts | | |
| | Repayable within one year | 315,765 | 263,170 |
| | Repayable between one and five years | 609,196 | 266,836 |
| | | 924,961 | 530,006 |
| | Finance charges and interest allocated to future accounting periods | (162,526) | (62,026) |
| | | 762,435 | 467,980 |
| | Included in liabilities falling due within one year | (285,665) | (193,379) |
| | | 476,770 | 274,601 |

| 12 | Provisions for liabilities | Deferred tax liability £ |
|----|----------------------------|-----------------------------|
| | Balance at 1 April 2013 | 210,882 |
| | Profit and loss account | 30,662 |
| | Balance at 31 March 2014 | 241,544 |

The deferred tax liability is made up as follows:

| | 2014 £ | 2013 £ |
|---|-------------------|-------------------|
| Accelerated capital allowances | 241,544 | 210,882 |
| 13 Share capital | 2014 £ | 2013 £ |
| Allotted, called up and fully paid | | |
| 1,250 Ordinary shares of £1 each | 1,250 | 1,250 |

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

14 Statement of movements on profit and loss account

| | Profit and loss account £ |
|--------------------------|------------------------------------|
| Balance at 1 April 2013 | 564,931 |
| Loss for the year | (258,009) |
| Balance at 31 March 2014 | <u>306,922</u> |

15 Reconciliation of movements in shareholders' funds

| | 2014 £ | 2013 £ |
|--------------------------------------|----------------|----------------|
| (Loss)/Profit for the financial year | (258,009) | 48,442 |
| Opening shareholders' funds | <u>566,182</u> | <u>517,740</u> |
| Closing shareholders' funds | <u>308,172</u> | <u>566,182</u> |

16 Financial commitments

At 31 March 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2015:

| | Land and buildings | | Other | |
|--------------------------------|--------------------|----------------|----------------|-----------|
| | 2014 £ | 2013 £ | 2014 £ | 2013 £ |
| Operating leases which expire: | | | | |
| Between two and five years | 108,423 | 103,200 | 271,736 | - |
| In over five years | <u>105,025</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>213,448</u> | <u>103,200</u> | <u>271,736</u> | <u>-</u> |

ODESSA PRINT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

| 17 Directors' remuneration | 2014 £ | 2013 £ |
|--------------------------------------|-----------|-----------|
| Remuneration for qualifying services | 373,542 | 407,500 |

Remuneration disclosed above include the following amounts paid to the highest paid director:

| | | |
|--------------------------------------|---------|---------|
| Remuneration for qualifying services | 207,442 | 226,300 |
|--------------------------------------|---------|---------|

18 Employees

Number of employees

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

| | 2014 Number | 2013 Number |
|-----------|----------------|----------------|
| Directors | 2 | 2 |
| Employees | 70 | 47 |
| | 72 | 49 |

Employment costs

| | 2014 £ | 2013 £ |
|--------------------|-----------|-----------|
| Wages and salaries | 3,097,413 | 2,679,526 |

19 Control

The company was controlled throughout the current and previous period by its directors by virtue of the fact that between them they own the majority of the company's ordinary share capital.