

BPMG (Overseas) Limited

**Directors' report and financial
statements**

Registered number 3215197

31 March 2010

TUESDAY



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Directors' Report

The directors present their directors' report and audited financial statements for the year ended 31 March 2010

Principal activities

The principal activity of the company continued to be that of an intermediate investment holding company
The principal activities of the CPI group in which the company is included is that of commercial printers, and printers and binders of books

Business review

The company reported profit before tax for the year amounting to £82,000 (2009 loss £1,384,000) The directors are satisfied with the results for the year (as shown on page 6) and consider that the state of the company's affairs (as shown on page 7) is satisfactory and in line with expectations

During 2010 the market for paper books has been generally static, although the weakened sterling has resulted in the group benefiting from an increased placement of work in the UK The market for commercial print has followed a falling trend, as advertising and promotional budgets of customers were fully hit by the deepening recession Within the wider CPI group, certain production centres have been relocated and the group has undertaken a restructuring program in order to provide increased flexibility and greater production efficiencies

The principal risks of the business revolve around the group's ability to maintain order intake, high quality production to pre-agreed deadlines and management of costs and overheads in a highly competitive environment Throughout the year to 31 March 2010 the mitigation of the operational risks were robustly addressed, without impact to the business performance of the group

The Board regularly monitor the performance of the group through a range of key performance indicators which are related to financial performance, health and safety performance and a number of operational metrics

Company restructuring

In December 2009, the Company's ultimate parent, Cameron France Holding S A S, entered into an agreement with its shareholders to change the structure of the group, and in so doing reduce the overall indebtedness of the Group The change of ownership brought about by the transaction has resulted not only in overall indebtedness having been significantly reduced, but in further investment funds being made available The operating companies of the group not only benefit now from reduced interest payment, but with greater investment potential they can more readily adapt to changes in the market, and so provide for a more stable and profitable future

Proposed dividends

The directors do not recommend the payment of a dividend (2009 - £nil)

Directors and directors' interests

The directors who held office during the year were as follows

M Robson
P F Catte

None of the directors held any interests in the share capital of the company P F Catte is a director of Cameron France Holding S A S, the ultimate parent undertaking His interest in the share capital of Cameron France Holding S A S is disclosed in the Cameron France Holding S A S financial statements

Directors' Report *(continued)*

Political and charitable contributions

The company made no political or charitable donations, or incurred any political expenditure during the year (2009 £nil)

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information

Auditors

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

By order of the board



M W Robson
Director

Cox & Wyman House
Cardiff Road
Reading
Berkshire
RG1 8EX

Registered number 3215197

23 August 2010

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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

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 judgments 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 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 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.



KPMG LLP

Arlington Business Park
Theale
Reading
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United Kingdom

Independent auditors' report to the members of BPMG (Overseas) Limited

We have audited the financial statements of BPMG (Overseas) Limited for the year ended 31 March 2010 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 page 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 March 2010 and of its profit for the year 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.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report to the members of BPMG (Overseas) Limited *(continued)*

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



D I McAllan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Arlington Business Park
Theale
Reading
RG7 4SD

26 August 2010

Profit and Loss Account
for the year ended 31 March 2010

	<i>Note</i>	2010 £000	2009 £000
Administrative expenses		304	(984)
Operating profit/(loss)	2	304	(984)
Interest payable and similar charges	3	(222)	(400)
Profit/(Loss) on ordinary activities before taxation		82	(1,384)
Tax on profit/(loss) on ordinary activities	5	60	388
Profit/(Loss) for the financial year	9	142	(996)

The company has no recognised gains or losses other than the profit for the year, accordingly no statement of total recognised gains and losses has been presented

All turnover and the operating profits were derived from continuing operations

The notes on pages 8 to 12 form part of these financial statements

Balance Sheet
at 31 March 2010

	<i>Note</i>	2010 £000	2009 £000
Current assets			
Debtors	6	699	638
		<hr/>	<hr/>
		699	638
Creditors: amounts falling due within one year	7	(13,989)	(14,070)
		<hr/>	<hr/>
Net liabilities		(13,290)	(13,432)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	8	500	500
Profit and loss account	9	(13,790)	(13,932)
		<hr/>	<hr/>
Shareholders' deficit	10	(13,290)	(13,432)
		<hr/>	<hr/>

The financial statements were approved by the board of directors on 23 August 2010 and were signed on its behalf by:



M W Robson
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

As 100% of the Company's voting rights are controlled within the group headed by CPI Group (UK) Limited and subsequently ultimately controlled by Cameron France Holdings S A S, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Cameron France Holdings S A S, within which this Company is included, can be obtained from the address given in note 11

The financial statements contain information about BPMG (Overseas) Limited as an individual company and do not contain consolidated financial information as a parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary are included by full consolidation of Cameron France Holding S A S

Going concern

The financial statements have been prepared on the going concern basis notwithstanding net liabilities of £13,290,000 which the directors believe to be appropriate for the following reasons. The Company is dependent for its working capital on funds provided by CPI Group (UK) Limited, the Company's ultimate UK parent undertaking. CPI Group (UK) Limited has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make funds available. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on the indications from CPI Group (UK) Limited the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Investments

Investments are stated at cost less any permanent diminution in value.

Foreign currency translation

Transactions in foreign currencies are originally recorded at the rate ruling at the transaction date.

Monetary assets and liabilities denominated in foreign currencies at the end of the year are reported at the rates of exchange prevailing at the year-end.

Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is taken to the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

Taxation

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

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

2 Operating profit/(loss)

Profit/(Loss) before taxation on ordinary activities is stated after charging

	2010 £000	2009 £000
Foreign exchange gain/(loss)	304	(984)
Auditors' remuneration for the audit of these statements	-	-
	<u> </u>	<u> </u>

The auditors remuneration for 2010 has been paid by an associated company and is estimated at £2,500

3 Interest payable and similar charges

	2010 £000	2009 £000
Intergroup interest	222	400
	<u> </u>	<u> </u>

4 Employees and directors

There are no employees in this company aside from the directors. No directors received any remuneration from the company during the current or prior year. All directors were remunerated by associated group companies.

5 Taxation

Analysis of tax charge for the period

	2010 £000	2009 £000
<i>UK Corporation tax</i>		
Current tax on income for the period	-	-
Amounts receivable from group companies for surrender of tax losses	-	(388)
Adjustment in respect of prior years – group relief surrendered	(60)	-
	<u> </u>	<u> </u>
Total current taxation	(60)	(388)
	<u> </u>	<u> </u>

Notes (continued)

5 Taxation (continued)

Factors affecting the tax charge for the current period

The current tax credit for the period is lower than the standard rate of corporation tax in the UK 28% (2009 28%)
 The differences are explained below

	2010 £000	2009 £000
<i>Current tax reconciliation</i>		
Profit/ (loss) on ordinary activities before tax	82	(1,384)
Current tax at 28% (2009 28%)	23	(388)
Effects of		
Utilisation of tax losses	(23)	-
Group relieved losses	-	388
	-	-

The company maintains an unrecognised accumulated deferred tax asset of £314,000 arising from carried forward non-trading losses of £1,123,000

6 Debtors

	2010 £000	2009 £000
Amounts owed by fellow subsidiary undertakings	699	638

7 Creditors: amounts falling due within one year

	2010 £000	2009 £000
Amounts owed to associated group undertakings	7,160	7,160
Amounts owed to parent undertaking	6,829	6,910
	13,989	14,070

Notes (continued)

8 Called-up share capital

	2010 £000	2009 £000
Authorised:		
501,000 Ordinary shares of £1 each	501	501
	<u>501</u>	<u>501</u>
 Allotted, Called-up and Fully Paid		
500,002 (2009 500,002) Ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>

9 Reserves

	Profit and Loss Account £000
At beginning of year	(13,932)
Profit/(Loss) for the financial year	142
	<u>142</u>
At end of year	<u>(13,790)</u>

10 Reconciliation of movements in shareholders' funds

	2010 £000	2009 £000
Profit/(Loss) for the year	142	(996)
	<u>142</u>	<u>(996)</u>
Net addition to/(reduction in) shareholders' funds	142	(996)
Opening shareholders' deficit	(13,432)	(12,436)
	<u>(13,432)</u>	<u>(12,436)</u>
Closing shareholders' deficit	<u>(13,290)</u>	<u>(13,432)</u>

11 Ultimate controlling party

The company's immediate parent undertaking is LIBERfabrica Limited a company incorporated in the United Kingdom

The company's ultimate controlling party is Cameron France Holding S A S based in France and this company is the smallest and largest group for which group consolidated financial statements are prepared. Copies of the consolidated financial statements for Cameron France Holding S A S can be obtained from the registered office 98-102 Rue de Paris, 92100, Boulogne Billancourt, France

Notes *(continued)*

12 Related party transactions

The company has taken advantage of the exemption in FRS8 from the disclosure of transactions with entities that are part of the group on the grounds that it is a wholly owned subsidiary and the consolidated financial statements of the group are publicly available

13 Contingent liabilities

All the assets and shares of the company are charged with a debenture in favour of Royal Bank of Scotland plc in order to secure certain financing arrangements between CPI SA, its subsidiary undertakings and its bank. The borrowings of the Group under these arrangements are disclosed in the consolidated accounts of the ultimate holding company, Cameron France Holding S A S