



Grant Thornton

Financial statements Ken Wilkins Print Limited

For the Year Ended 31 March 2010



Company No. 1793462

Company information

Company registration number	1793462
Registered office	Private Road No 1 Colwick Industrial Estate NOTTINGHAM NG4 2JQ
Directors	Mr A P Wilkins Mrs A Wilkins Mrs M P Wilkins
Secretary	Mrs A Wilkins
Bankers	HSBC Plc 1 Victoria Road Netherfield NOTTINGHAM NG4 2LB
Website	www.wilkins.co.uk
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Regent House 80 Regent Road LEICESTER LE1 7NH

Chairman's statement

I am pleased to be able to report that the Group strategy to deal with the unprecedented recessionary forces that hit most businesses in the 2008/2009 year has proved successful

Ken Wilkins Print Ltd UK turnover for the year 1 April 2009 to 31 March 2010 closed in excess of £20.44 million which exceeds the pre-recession year of 2007/2008 which closed at £20.37 million. The year 2008/2009 (the last Group filed accounts) closed at £18.64 million.

The customer base has moved positively in the last year with new customers coming on board plus significant growth with existing customers. The directors concluded that timing was appropriate to make further investments to increase capacity.

We commissioned a new high speed press in July 2010 plus a new die cutter and are projecting in due course an increased UK turnover to a minimum of £23 million which will firmly underpin the overhead and improve gross margin. This will start to have a positive impact from the middle of the 2010/2011 financial year.

Additional financial events through the year include:

Savings on utilities (electricity & gas) - We suffered significant increases during 2008/2009 and contracts were renegotiated in the first half of 2009 back to the 2007/2008 levels. These reduced prices came into force starting in October 2009 and therefore only half of the 2009/2010 financial year has benefited from the savings. However, we have now negotiated even lower prices for the year commencing October 2010 and so we can confidently factor these prices into our projections.

Finance Repayments - July and September 2009 saw the final payments on two major investments which made significant monthly savings on finance payments through the second half.

Mortgage interest payments - These have reduced to £3,577 per month from £11,935 in the 2008/2009 year.

Tax losses - Brought forward losses are now fully utilised and the 2009/2010 accounts show a tax payment. The new investments will increase our tax losses for the 2010/2011 year thus mitigating any tax liability in the coming and subsequent years.

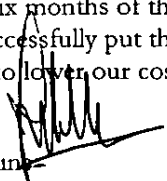
International Businesses

The Group has businesses in Romania, Sri Lanka and China and all these regions have continued to progress well over the last 12 months with significant growth. These regions collectively export to over 25 countries.

The businesses are in strategic geographic positions and the result of many years of hard work. All sectors are now well established and have reached a level of maturity which enables organic growth to move forward rapidly.

Conclusion

Following a deep recessionary period we are satisfied that a good Group recovery is now in full swing. With only six months of the recovery and reduced costs having an influence on the 2009/2010 accounts we have successfully put the business on a path to show profit and now feel confident to invest in machinery to lower our cost base and substantially increase the production potential of the Nottingham site.


André Wilkins
Chairman & Managing Director

Index

Chairman's statement	3
Report of the directors	4 - 6
Independent auditor's report	7 - 8
Principal accounting policies	9 - 11
Profit and loss account	12
Balance sheet	13
Other primary statements	14
Notes to the financial statements	15 - 24

Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 March 2010

Principal activities and business review

The company operates principally as design consultants and high quality printers of packaging

A full business review and key performance indicators for the company are included in the Chairman's statement on page 3 of the financial statements

Results and dividends

The profit for the year, after taxation, amounted to £165,930. The directors have not recommended a dividend.

Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors and inter company loans that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company financial instruments are interest rate risk, liquidity risk and foreign currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Interest rate risk

The company finances its operations through a mixture of retained profits, hire purchase, group borrowings and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through financing loans.

Currency risk

The company is exposed to transaction and translation foreign exchange risk. Transaction risk is managed by the investment in Wilkins Spence Packaging Lanka (pvt) Limited, who hold appropriate levels of foreign currency. The company does not manage translation risk.

Directors

The directors who served the company during the year were as follows

Mr A P Wilkins
Mrs A Wilkins
Mrs M P Wilkins

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company

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 Accounting Standards (United Kingdom 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 those 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,
- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Donations

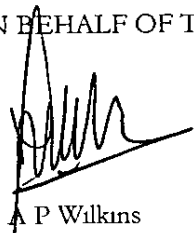
During the year the company made the following contributions

	2010 £	2009 £
Charitable	<u>2,890</u>	<u>4,025</u>

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to be 'A P Wilkins', written over a horizontal line.

Mr A P Wilkins

Director

26 July 2010



Independent auditor's report to the members of Ken Wilkins Print Limited

We have audited the financial statements of Ken Wilkins Print Limited for the year ended 31 March 2010 which comprise the principal accounting policies, profit and loss account, statement of total recognised gains and losses, balance sheet and the related notes. 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 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the Annual Report, 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 website 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 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 report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Ken Wilkins Print 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

Grant Thornton UK LLP.

PAUL HOUGHTON (Senior Statutory Auditor)

For and on behalf of

GRANT THORNTON UK LLP

STATUTORY AUDITOR

CHARTERED ACCOUNTANTS

EAST MIDLANDS

26 July 2010

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets

The principal accounting policies of the company have remained unchanged from the previous year and are set out below

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

Turnover

Revenue is measured by reference to the consideration received or receivable by the company for goods supplied, excluding VAT and trade discounts. Revenue is recognised upon the supply of goods to the customer

Intangible assets

Intangible assets comprise of legal expenses for patents

Intangible assets are amortised over their estimated useful lives of 5 years

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property	- 2% straight line
Plant & Machinery	- Over 10-15 years straight line / 10% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Work in progress

Finished goods and work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of finished goods and work in progress

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

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 differences can be deducted

Deferred tax is measured on an undiscounted 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

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Investments

Investments are included at cost

Profit and loss account

	Note	2010 £	2009 £
Turnover	1	20,442,078	18,642,984
Cost of sales		16,588,793	15,096,730
Gross profit		3,853,285	3,546,254
Other operating charges	2	3,509,814	3,516,627
Other operating income	3	(120,812)	(101,056)
Operating profit	4	464,283	130,683
Profit on sale of investments		11,149	—
Interest payable and similar charges	7	249,302	301,214
Profit/(loss) on ordinary activities before taxation		226,130	(170,531)
Tax on profit/(loss) on ordinary activities	8	60,200	(30,100)
Profit/(loss) for the financial year	24	165,930	(140,431)

All of the activities of the company are classed as continuing

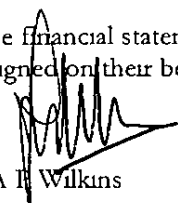
The company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2010 £	2009 £
Fixed assets			
Intangible assets	10	12,963	11,243
Tangible assets	11	9,121,543	9,687,388
Investments	12	193,728	198,092
		<u>9,328,234</u>	<u>9,896,723</u>
Current assets			
Stocks	13	2,850,322	2,791,524
Debtors	14	5,849,896	4,422,537
Cash at bank and in hand		816,666	1,202,037
		<u>9,516,884</u>	<u>8,416,098</u>
Creditors amounts falling due within one year	15	<u>8,513,264</u>	<u>7,601,823</u>
Net current assets		<u>1,003,620</u>	<u>814,275</u>
Total assets less current liabilities		<u>10,331,854</u>	<u>10,710,998</u>
Creditors amounts falling due after more than one year	16	3,382,943	3,958,717
Provisions for liabilities			
Deferred taxation	20	926,600	895,900
		<u>6,022,311</u>	<u>5,856,381</u>
Capital and reserves			
Called-up equity share capital	23	432,910	432,910
Revaluation reserve	24	381,104	391,993
Profit and loss account	24	5,208,297	5,031,478
Shareholders' funds	25	<u>6,022,311</u>	<u>5,856,381</u>

These financial statements were approved by the directors and authorised for issue on 26 July 2010, and are signed on their behalf by



Mr A H Wilkins

Company Registration Number 1793462

The accompanying accounting policies and notes form part of these financial statements.

Other primary statements

Note of historical cost profits and losses

	2010 £	2009 £
Profit/(loss) on ordinary activities before taxation	226,130	(170,531)
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	10,889	10,889
Historical cost profit/(loss) on ordinary activities before taxation	<u>237,019</u>	<u>(159,642)</u>
Historical cost profit/(loss) for the year after taxation	<u>176,819</u>	<u>(129,542)</u>

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover

The turnover and loss before tax are attributable to the one principal activity of the company and arise wholly in the United Kingdom

2 Other operating charges

	2010 £	2009 £
Distribution costs	697,519	760,123
Administrative expenses	2,812,295	2,756,504
	<u>3,509,814</u>	<u>3,516,627</u>

3 Other operating income

	2010 £	2009 £
Management charges receivable	<u>120,812</u>	<u>101,056</u>

4 Operating profit

Operating profit is stated after charging

	2010 £	2009 £
Amortisation of intangible assets	5,115	3,748
Depreciation of owned fixed assets	465,486	434,713
Depreciation of assets held under hire purchase agreements	167,542	234,002
Auditor's remuneration		
Audit fees	19,750	19,000
Other fees	15,250	14,950
Operating lease costs		
- Other	<u>317,184</u>	<u>278,834</u>

Liability Limitation Agreement with the auditor

The company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 March 2010. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the directors on 25 June 2010 after shareholders waived the need for approval of the agreement on 25 June 2010.

5 Directors and employees

The average number of staff employed by the company during the financial year amounted to

	2010 No	2009 No
Production	164	167
Selling and distribution	5	7
Administrative	44	45
	<u>213</u>	<u>219</u>

The aggregate payroll costs of the above were

	2010 £	2009 £
Wages and salaries	4,915,605	4,913,384
Social security costs	448,540	439,309
Other pension costs	74,550	4,050
	<u>5,438,695</u>	<u>5,356,743</u>

6 Directors

Remuneration in respect of directors was as follows

	2010 £	2009 £
Remuneration receivable	<u>97,064</u>	<u>94,883</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2010 No	2009 No
Money purchase schemes	<u>3</u>	<u>3</u>

7 Interest payable and similar charges

	2010 £	2009 £
Interest payable on bank borrowing	165,715	193,909
Finance charges payable under hire purchase agreements	82,828	105,972
Other similar charges payable	759	1,333
	<u>249,302</u>	<u>301,214</u>

8 Taxation on ordinary activities

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax		
UK Corporation tax based on the results for the year at 28% (2009 - 21%)	29,500	-
Total current tax	29,500	-
Deferred tax		
Origination and reversal of timing differences	30,700	(30,100)
Tax on profit/(loss) on ordinary activities	60,200	(30,100)

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2009 - 21%)

	2010 £	2009 £
Profit/(loss) on ordinary activities before taxation	226,130	(170,531)
Profit/(loss) on ordinary activities by rate of tax	63,316	(35,812)
Expenses not deductible for tax purposes	13,483	7,283
Depreciation in excess of capital allowances	42,874	24,618
Utilisation of tax losses	(86,087)	-
Marginal relief	(6,541)	-
Short term timing differences	2,455	3,911
Total current tax (note 8(a))	29,500	-

9 Dividends

Dividends on shares classed as equity

	2010 £	2009 £
Paid during the year		
Dividends on equity shares	-	100,000

10 Intangible fixed assets

	Patent costs £
Cost	
At 1 April 2009	18,739
Additions	6,835
At 31 March 2010	<u>25,574</u>
Amortisation	
At 1 April 2009	7,496
Charge for the year	5,115
At 31 March 2010	<u>12,611</u>
Net book value	
At 31 March 2010	<u>12,963</u>
At 31 March 2009	<u>11,243</u>

11 Tangible fixed assets

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost or valuation					
At 1 April 2009	4,484,673	12,690,339	1,208,115	553,839	18,936,966
Additions	–	51,899	15,284	–	67,183
At 31 March 2010	<u>4,484,673</u>	<u>12,742,238</u>	<u>1,223,399</u>	<u>553,839</u>	<u>19,004,149</u>
Depreciation					
At 1 April 2009	991,177	6,937,957	857,340	463,104	9,249,578
Charge for the year	89,694	466,830	53,712	22,792	633,028
At 31 March 2010	<u>1,080,871</u>	<u>7,404,787</u>	<u>911,052</u>	<u>485,896</u>	<u>9,882,606</u>
Net book value					
At 31 March 2010	<u>3,403,802</u>	<u>5,337,451</u>	<u>312,347</u>	<u>67,943</u>	<u>9,121,543</u>
At 31 March 2009	<u>3,493,496</u>	<u>5,752,382</u>	<u>350,775</u>	<u>90,735</u>	<u>9,687,388</u>

The buildings are owned by the company. The land on which the buildings are situated is leased, at a commercial rate, from The Ken Wilkins Design Print Directors Pension Fund.

Included within the net book value of £9,121,543 is £1,586,883 (2009 - £2,430,831) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £167,542 (2009 - £234,002).

11 Tangible fixed assets (continued)

The leasehold buildings were revalued, on an open market basis, on 31 March 1993 by the directors at £900,000 resulting in a surplus of £544,438 which was credited to the revaluation reserve. The directors have taken advantage of the transitional provisions of Financial Reporting Standard No 15 to continue to disclose the property at its 1993 valuation.

12 Investments

Shares in subsidiary company

	£
Cost	
At 1 April 2009	198,092
Disposals	(4,364)
At 31 March 2010	<u>193,728</u>
Net book value	
At 31 March 2010	<u>193,728</u>
At 31 March 2009	<u>198,092</u>

At the year end the company owned 95% of the issued share capital of Wilkins Spence Packaging Lanka (pvt) Ltd

Wilkins Spence Packaging Lanka (pvt) Ltd is a company registered in Sri Lanka. The company operates as packaging printers.

	2010 £	2009 £
Aggregate capital and reserves		
Wilkins Spence Packaging Lanka (pvt) Ltd	539,997	496,434
Profit for the year		
Wilkins Spence Packaging Lanka (pvt) Ltd	70,980	65,748

13 Stocks

	2010 £	2009 £
Raw materials	198,819	229,642
Finished goods and work in progress	2,651,503	2,561,882
	<u>2,850,322</u>	<u>2,791,524</u>

14 Debtors

	2010	2009
	£	£
Trade debtors	4,395,018	3,056,470
Amounts owed by group undertakings	127,874	67,407
Amounts owed by related parties	988,033	1,083,882
Other debtors	224,415	110,056
Prepayments and accrued income	114,556	104,722
	<u>5,849,896</u>	<u>4,422,537</u>

The debtors above include the following amounts falling due after more than one year

	2010	2009
	£	£
Amounts owed by related parties	<u>951,933</u>	<u>-</u>

15 Creditors: amounts falling due within one year

	2010	2009
	£	£
Bank loans	286,572	280,037
Trade creditors	3,477,381	2,674,414
Amounts owed to group undertakings	3,616,142	3,616,142
Corporation tax	29,500	-
Other taxation and social security	610,574	385,936
Amounts due under hire purchase agreements	233,203	302,747
Other creditors	148,847	151,971
Accruals and deferred income	111,045	190,576
	<u>8,513,264</u>	<u>7,601,823</u>

16 Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Bank loans	2,492,080	2,727,696
Amounts due under hire purchase agreements	890,863	1,231,021
	<u>3,382,943</u>	<u>3,958,717</u>

The bank borrowings are secured by a fixed and floating charge dated 1 February 1991 over the company's assets

16 Creditors: amounts falling due after more than one year (continued)

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date

	2010	2009
	£	£
Bank loans	<u>1,404,334</u>	<u>1,631,146</u>

The bank borrowings are repayable in monthly instalments of £22,478 (2008 £22,478) Interest is charged at 1% above the bank's base rate

17 Creditors : Capital instruments

Creditors include finance capital which is due for repayment as follows

	2010	2009
	£	£
Amounts repayable		
In one year or less or on demand	286,572	280,036
In more than one year but not more than two years	280,036	280,036
In more than two years but not more than five years	807,710	816,514
In more than five years	<u>1,404,334</u>	<u>1,631,146</u>
	<u>2,778,652</u>	<u>3,007,732</u>

18 Commitments under hire purchase agreements

Future commitments under hire purchase agreements net of future finance lease charges are as follows

	2010	2009
	£	£
Amounts payable within 1 year	233,203	302,747
Amounts payable between 1 and 2 years	354,907	340,157
Amounts payable between 3 and 5 years	535,956	890,864
	<u>1,124,066</u>	<u>1,533,768</u>

19 Pensions

The company operates a defined contribution pension scheme The assets of the scheme are administered by trustees in a fund independent from those of the company

The pension cost charge for the year was £74,550 (2009 £4,050)

20 Deferred taxation

The movement in the deferred taxation provision during the year was

	2010	2009
	£	£
Provision brought forward	895,900	926,000
Profit and loss account movement arising during the year	30,700	(30,100)
Provision carried forward	<u>926,600</u>	<u>895,900</u>

20 Deferred taxation (continued)

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2010	2009
	£	£
Excess of taxation allowances over depreciation on fixed assets	926,600	958,700
Tax losses available	-	(64,600)
Other timing differences	-	1,800
	<u>926,600</u>	<u>895,900</u>

21 Leasing commitments

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as set out below

	2010		2009	
	Land and buildings	Other Items	Land and buildings	Other Items
	£	£	£	£
Operating leases which expire				
Within 1 year	-	10,768	-	2,224
Within 2 to 5 years	262,500	30,334	262,500	46,674
	<u>262,500</u>	<u>41,102</u>	<u>262,500</u>	<u>48,898</u>

22 Related party transactions

a) Transactions with group companies

As a wholly-owned subsidiary of The Wilkins Group Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by The Wilkins Group Limited on the grounds that accounts are publicly available

b) Transactions with directors

Included within other creditors are balances with directors as follows

Mr & Mrs A P Wilkins - directors and shareholders £127,136 (2009 £139,831) Mr J Wilkins - son of Mr & Mrs A P Wilkins £5,291 (2009 £5,291) Mr A Wilkins - son of Mr & Mrs A P Wilkins £4,951 (2009 £4,951)

c) Transactions with other related parties

The director and shareholder Mrs M P Wilkins is the proprietor of Peggy Wilkins Textile Fashion. At the 31 March 2010 amounts totalling £36,100 (2009 £30,000) were due from Peggy Wilkins Textile Fashion

Mr A P Wilkins and Mrs A Wilkins have an interest in The Ken Wilkins Design Print Directors Pension Scheme as trustees and beneficiaries. Mrs M P Wilkins has an interest in the pension scheme as a trustee

Rent paid to The Ken Wilkins Design Print Directors Pension Scheme was £299,300 (2009 £267,786). There was a debtor due to Ken Wilkins Design Print Directors Pension Scheme at 31 March 2010 of £90,157 (2009 £90,157)

Mr A Wilkins and Mr J Wilkins have a participating interest in Wilkins Packaging Esta Europa Srl. During the year the company made sales to Wilkins Packaging Esta Europa Srl totalling £32,430 (2009 £100,000). The company made purchases of £591,425 (2009 £611,778) from Wilkins Packaging Esta Europa Srl and rechargeable expenses of £41,022 (2009 £14,104) were incurred on behalf of Wilkins Packaging Esta Europa Srl. At the year end £951,933 (2009 £1,053,882) was due from Wilkins Packaging Esta Europa Srl

Mr A Wilkins and Mr J Wilkins have a participating interest in W W Resources Limited. During the year W W Resources Limited provided professional services to the company amounting to £24,000 (2009 £nil)

23 Share capital

Authorised share capital

	2010	2009
	£	£
750,000 Ordinary shares of £1 each	<u>750,000</u>	<u>750,000</u>

Allotted, called up and fully paid

	2010		2009	
	No	£	No	£
432,910 Ordinary shares of £1 each	<u>432,910</u>	<u>432,910</u>	<u>432,910</u>	<u>432,910</u>

24 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 April 2009	391,993	5,031,478
Profit for the year	—	165,930
Other movements		
- transfer to/from revaluation reserve	(10,889)	10,889
At 31 March 2010	<u>381,104</u>	<u>5,208,297</u>

25 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit/(Loss) for the financial year	165,930	(140,431)
Equity dividends	—	(100,000)
Transfer from revaluation reserve	10,889	10,889
Transfer to profit and loss account	(10,889)	(10,889)
Net addition/(reduction) to shareholders' funds	165,930	(240,431)
Opening shareholders' funds	5,856,381	6,096,812
Closing shareholders' funds	<u>6,022,311</u>	<u>5,856,381</u>

26 Ultimate parent company

As at 31 March 2010 the ultimate parent undertaking of this company is The Wilkins Group Limited, by virtue of a 100% shareholding. The largest and smallest group of undertakings for which group accounts have been prepared is that headed by The Wilkins Group Limited. Copies of the group accounts can be obtained at Private Road Number 1, Colwick Industrial Estate, Nottingham, NG4 2JQ.

27 Contingent liabilities

Ken Wilkins Print Limited has shareholders in common with Brandmatch Limited and a cross company bank guarantee has been arranged, which creates a fixed and floating charge on the assets of each company. At 31 March 2010 the outstanding contingent liability under this agreement amounted to £2,958,292 (2009 £2,958,292).

Ken Wilkins Print Limited has a bank guarantee dated 13 June 2001 for £60,000 (2009 £60,000).

The company is part of a group VAT arrangement with other companies in The Wilkins Group. At 31 March 2010 the outstanding contingent liability under this agreement amounted to £Nil (2009 £Nil).