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CENVEO, INC
Form 11-K
July 12, 2007

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 11-K

/X/ Annual report pursuant to section 15(d) of the Securities Exchange Act of 1934 [no fee required, effective October 7, 1996] for the year ended December 31, 2006.

OR

/ / Transition report pursuant to section 15(d) of the Securities Exchange Act of 1934 [no fee required]

Commission file number 1-12551

A. Full title of the Plan:

Cenveo 401(k) Savings and Retirement Plan

B. Name of the issuer of the securities held pursuant to the plan and the address of its principal executive office:

Cenveo, Inc.
One Canterbury Green
201 Broad Street
Stamford, CT 06901

AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
Cenveo 401(k) Savings and Retirement Plan
Year Ended December 31, 2006
With Report of Independent Registered Public Accounting Firm

CENVEO 401(k) SAVINGS AND RETIREMENT PLAN

Audited Financial Statements and Supplemental Schedule

Year Ended December 31, 2006

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Trustees and Participants of
Cenveo 401(k) Savings and Retirement Plan

We have audited the accompanying statements of net assets available for benefits of Cenveo 401(k) Savings and Retirement Plan (the "Plan") as of December 31, 2006 and 2005, and the related statement of changes in net assets available for benefits for the year ended December 31, 2006. These financial statements and supplemental schedule are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2006 and 2005, and the changes in net assets available for benefits for the year ended December 31, 2006 in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2006, is presented for purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ O'Connor Davies Munns & Dobbins, LLP
Harrison, New York
July 9, 2007

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CENVEO 401(k) SAVINGS AND RETIREMENT PLAN
 Statements of Net Assets Available for Benefits
 December 31,

	2006	2005
	-----	-----
ASSETS		
Non-interest bearing cash	\$ 267,540	\$ 516,5
	-----	-----
Investments (at fair value)		
Mutual funds	123,472,394	124,532,3
Common collective trusts	94,974,678	104,084,3
Cenveo common stock	44,945,553	32,652,4
Participant loans	8,215,497	8,715,3
	-----	-----
Total Investments	271,608,122	269,984,4
	-----	-----
Receivables		
Employee contributions	84,650	1,029,0
Employer contributions	-	372,6
	-----	-----
Total Receivables	84,650	1,401,7
	-----	-----
Total Assets	\$271,960,312	\$271,902,7
	=====	=====
LIABILITIES	\$ -	\$
	-----	-----
Net Assets Reflecting All Investments at Fair Value	271,960,312	271,902,7
	-----	-----
Adjustment from fair value to contract value for fully benefit responsive investment contracts	48,235	12,0
	-----	-----
Net Assets Available for Benefits	\$272,008,547	\$271,914,7
	=====	=====

See notes to financial statements

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CENVEO 401(k) SAVINGS AND RETIREMENT PLAN

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2006

ADDITIONS	
Contributions	
Employer	759
Employee	\$ 11,759,783
Rollover	1,502,445
Asset transfers from other plans	1,913,011

Total Contributions	15,175,998

Investment Income	
Net appreciation in fair value of investments	36,335,447
Interest and dividend income	8,821,025

Total Investment Income	45,156,472

Total Additions	60,332,470

DEDUCTIONS	
Payment of benefits to participants	60,059,977
Administrative expenses	178,706

Total Deductions	60,238,683

Net Change	93,787
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of Year	271,914,760

End of Year	\$272,008,547
	=====

See notes to financial statements

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CENVEO 401(k) SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

1. DESCRIPTION OF THE PLAN

The following description of the Cenveo 401(k) Savings and Retirement Plan (the "Plan") provides only general information. Participants

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should refer to the Plan document for a complete description of the Plan's provisions.

GENERAL

The Plan was adopted effective March 1, 1994. The Plan is an earnings deferral plan of Cenveo, Inc. (the "Company"). The Plan includes only nonunion employees that are not leased employees. The Plan is subject to provisions of the Employee Retirement Income Securities Act of 1974 ("ERISA"). All Plan assets are held by the Plan trustee, Mercer Trust Company ("Mercer"), formerly Putnam Fiduciary Trust Company.

Nonunion employees that are not leased employees become eligible the first day of the month following 30 days of service with the Company if they are expected to work 1,000 hours in a Plan year, or if they complete 1,000 hours of service in a consecutive 12-month period. The Plan provides for automatic enrollment on behalf of employees hired or first eligible to participate in the Plan after January 1, 2004.

CONTRIBUTIONS

Each year, participants may contribute up to 50% of pretax annual compensation, as defined in the Plan document and as limited by the Internal Revenue Service. Participants may also contribute amounts representing rollover distributions from other qualified defined benefit or defined contribution plans. Effective January 1, 2006, the Company is no longer making a matching contribution to the Plan.

PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contributions and withdrawals, as applicable, the Company contributions and allocations of Plan earnings, and is charged with an allocation of administrative expenses.

VESTING

Participants are 100% vested in their contributions at all times. Vesting in Company matching contributions occurs 20% for each year of service. Upon reaching five years of service, all Company matching contributions are fully vested. Years of service attributable to predecessor companies prior to a participant being employed by the Company are recognized in full for vesting purposes. All Company matching contributions become fully vested upon retirement, disability, or death of the participant.

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CENVEO 401(k) SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

1. DESCRIPTION OF THE PLAN (CONTINUED)

INVESTMENT OPTIONS

Upon enrollment in the Plan, participants may elect to invest their contributions in a variety of investment options offered by the Plan.

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LOANS TO PARTICIPANTS

Participants may borrow from the Plan a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested interest in the Plan. Such loans bear interest at the prime rate (as published in The Wall Street Journal) plus 1% and are collateralized by the participant's non-forfeitable interest in the Plan. Loans must be repaid within five years unless they are for the purchase of a principal residence, in which event they may be repaid over a period up to a maximum of 10 years.

PAYMENT OF BENEFITS

Upon retirement or termination of service, participants may roll their account balance into another qualified retirement savings account, withdraw their vested account balance less applicable taxes in a lump-sum payment, or leave their account balance in the Plan until normal retirement age if their account balance is greater than \$5,000. The Plan provides for advance distribution for hardship if certain conditions are met.

EXPENSES

Certain of the Plan's administrative expenses are paid by the Company. All other administrative expenses are paid by the Plan and allocated to participant accounts.

FORFEITURES

Upon termination by a participant, Company matching contributions that have not vested are used to offset administrative expenses and to reduce future Company contributions. At December 31, 2006 and 2005 forfeited non-vested accounts totaled \$402,008 and \$756,168, respectively. These accounts will be used to reduce future employer contributions and plan expenses. Non-vested forfeitures had no impact on employer contributions in 2006.

PLAN TERMINATION

Although it has not expressed intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of the ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

CENVEO 401(k) SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

1. DESCRIPTION OF THE PLAN (CONTINUED)

CONCENTRATION OF MARKET AND CREDIT RISK

The Plan offers various investment options by which participants may invest their account balances in any combination of mutual funds or

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common collective trust funds. Investment securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INVESTMENT VALUATION AND INCOME RECOGNITION

The Plan's investments are recorded in the financial statements at fair value based on published market value, except for certain common collective trust funds, which are at contract value and participant loans, which are stated at face value. Unrealized and realized appreciation (depreciation) of investments during the year is included in net appreciation in the fair value of investments in the statement of changes in net assets available for benefits. Realized gains (losses) on sales of investments are determined on the average-cost basis.

NEW ACCOUNTING PRONOUNCEMENT

As described in Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, Reporting of Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans (the "FSP"), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts, because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by the FSP, the Statements of Net Assets Available for Benefits presents the adjustment of the fair value of the investment contracts from fair value to contract value. Prior year balances have been reclassified accordingly. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

The Plan recognizes income, expenses, and other changes in net assets available for benefits using the accrual method of accounting.

PAYMENT OF BENEFITS

Payment of benefits are recorded when paid.

CENVEO 401(k) SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

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The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated December 24, 2003, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Subsequent to this determination, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

4. INVESTMENTS

INVESTMENT CONTRACTS

The Plan invests in an investment contract called the Putnam Stable Value Fund ("Putnam"). Putnam maintains the contributions in a common collective trust account. The account is credited with earnings on the underlying investments and charged for Plan withdrawals and administrative expenses charged by Putnam. The contract is included in the financial statements at contract value, (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses) because it is fully benefit responsive. Participants may ordinarily directly withdraw or transfer all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The fair value of the investment contract at December 31, 2006 and 2005 was \$37,931,957 and \$43,032,630, respectively. For the Plan years ended December 31, 2006 and 2005, the average yield and crediting interest rates were approximately five percent. The crediting interest rate is based on an agreed-upon formula with the issuer, but cannot be less than zero.

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CENVEO 401(k) SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

4. INVESTMENTS (CONTINUED)

Investments that represent 5% or more of the Plan's net assets available for benefits are as follows at December 31, :

2006

Fair Value

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Mutual funds:	
PIMCO Total Return Fund	\$20,741,849
Goldman Sachs Structured SmallCap Equity Fund	13,705,085
Harbor Capital International Fund	22,759,717
The George Putnam Fund of Boston	22,318,096
Common Collective Trusts:	
Putnam S&P 500 Index Fund	57,042,721
Cenveo Common Stock	44,945,553
Contract Value	
Putnam Stable Value Fund	37,980,192