

FILOFAX GROUP LIMITED

Report and Financial Statements

31 January 2005



FILOFAX GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS 2005

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FILOFAX GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS 2005

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

G Presly
G Raw

SECRETARY

DM Company Services Limited

REGISTERED OFFICE

Royal London House
22/25 Finsbury Square
London
EC2A 1DS

BANKERS

Bank of Scotland
London Chief Office
PO Box 267
38 Threadneedle Street
London
EC2P 2EH

SOLICITORS

Dickson Minto WS
16 Charlotte Square
Edinburgh
EH2 4DF

INDEPENDENT AUDITORS

Deloitte & Touche LLP
Edinburgh

FILOFAX GROUP LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year to 31 January 2005.

ACTIVITIES

The principal activity of the company during the year continued to be that of a holding company of subsidiaries involved in the supply of stationery products.

REVIEW OF DEVELOPMENTS

The company did not trade during the current or preceding year other than the receipt and payment of intra-group dividends.

The profit for the year after taxation amounted to £4,000,000 (2004 loss - £6,231,000).

DIVIDENDS

The directors have recommended the payment of a dividend of £4,000,000 (2004 - £3,000,000).

FUTURE PROSPECTS

The directors do not anticipate the company resuming trading activities in the foreseeable future.

DIRECTORS AND THEIR INTERESTS

The present membership of the board is set out on page 1. All directors served throughout the year.

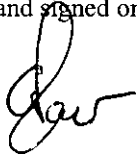
No director held any interest in the ordinary shares of the company at 31 January 2005 or 31 January 2004.

The interests of the directors in the shares of the ultimate parent undertaking, Letts Filofax Group Limited, are disclosed in their respective financial statements.

AUDITORS

A resolution to re-appoint Deloitte & Touche LLP as the Company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



G Raw

Director

Date: 16/11/05

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year 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; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FILOFAX GROUP LIMITED

We have audited the financial statements of Filofax Group Limited for the year ended 31 January 2005 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

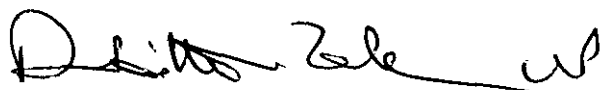
Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 January 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

Edinburgh

22/11/2005

FILOFAX GROUP LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 January 2005

	Note	2005 £'000	2004 £'000
Income from group undertakings	4	4,000	3,000
Provision for diminution in value of investments		-	(9,231)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		4,000	(6,231)
Tax on profit on ordinary activities	5	-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		4,000	(6,231)
Dividends - equity	6	(4,000)	(3,000)
RETAINED PROFIT/(LOSS) PROFIT FOR THE FINANCIAL YEAR		-	(9,231)

All results derive from continuing operations.

There have been no recognised gains and losses attributable to the shareholders other than the results for the current and preceding financial period and, accordingly, no Statement of Total Recognised Gains and Losses is shown.

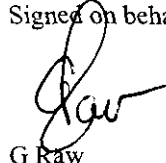
FILOFAX GROUP LIMITED

BALANCE SHEET 31 January 2005

	Note	2005 £'000	2004 £'000
FIXED ASSETS			
Investments	7	<u>2,847</u>	<u>2,847</u>
CURRENT ASSETS			
Debtors due after more than one year:			
Amounts owed by group undertakings		6,608	6,608
CREDITORS: amounts falling due within one year	8	<u>(6)</u>	<u>(6)</u>
NET CURRENT ASSETS		<u>6,602</u>	<u>6,602</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,449	9,449
CREDITORS: amounts falling due after more than one year			
Amounts owed to group undertakings		<u>(5,064)</u>	<u>(5,064)</u>
NET ASSETS		<u>4,385</u>	<u>4,385</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,256	1,256
Share premium account	10	1,990	1,990
Capital redemption reserve	10	325	325
Profit and loss account	10	<u>814</u>	<u>814</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS	11	<u>4,385</u>	<u>4,385</u>

These financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors



G Raw

Director

16/11/ 2005.

FILOFAX GROUP LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 January 2005

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Cash flow statement

Under Financial Reporting Standard 1 (Revised) the company is exempt from the requirement to produce a cash flow statement as the ultimate parent undertaking, Letts Filofax Group Limited, includes the company in its own published consolidated financial statements.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Taxation

Current taxation, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the rates and laws that have been enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The only employees of the company in the current and prior year were the directors. In the current year the directors received no remuneration for services to the company (2004 - £Nil).

3. AUDITORS REMUNERATION

Auditors remuneration in both the current and prior year, has been born by Filofax Limited.

4. INCOME FROM GROUP UNDERTAKINGS

	2005 £'000	2004 £'000
Dividends received	4,000	3,000

FILOFAX GROUP LIMITED

NOTES TO THE ACCOUNTS Year ended 31 January 2005

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2005 £'000	2004 £'000
<i>Current taxation</i>		
UK corporation tax charge for the year	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%. The actual tax charge for the current and the previous periods differs from the standard rate for the reasons set out in the following reconciliation:

	2005 £'000	2004 £'000
Profit on ordinary activities before tax	4,000	3,000
Tax on profit on ordinary activities at standard rate	1,200	900
<i>Factors affecting charge for the year</i>		
Non taxable dividend income	(1,200)	(900)
Total actual amount of current tax	-	-

6. DIVIDENDS

	2005 £'000	2004 £'000
Final paid – 15.92p per ordinary share (2004 – 11.94p)	4,000	3,000

FILOFAX GROUP LIMITED

NOTES TO THE ACCOUNTS Year ended 31 January 2005

7. INVESTMENTS HELD AS FIXED ASSETS

	Shares in subsidiary undertakings £'000	Loans to subsidiary undertakings £'000	Total £'000
Cost			
At 31 January 2005 and 31 January 2004	9,828	2,250	12,078
Provision for impairment			
At 31 January 2005 and 31 January 2004	(9,231)	-	(9,231)
Net book value			
At 31 January 2005	597	2,250	2,847
At 31 January 2004	597	2,250	2,847

The following are the principal subsidiary undertakings of the company as at 31 January 2005. The holdings represent 100% of the issued ordinary share capital of each company.

Name	Principal activity	Country of incorporation
Filofax Limited	Supplier of organisers	England
Drakes Office Systems Limited	Supplier of stationery products	England
Topps of England Limited	Non trading	England
Filofax A/S*	Distributor of organisers	Denmark
Filofax AB*	Distributor of organisers	Sweden
Filofax GmbH	Distributor of organisers	Germany
Filofax Hong Kong Limited*	Sourcing of organiser wallets	Hong Kong
Filofax SARL*	Distributor of organisers	France
Filofax Italia SRL*	Distributor of organisers	Italy

* Investment held by a subsidiary undertaking.

The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements. The parent for the smallest and largest group for which group financial statements are drawn up and of which the company is a member is Letts Filofax Group Limited.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £'000	2004 £'000
Accruals	6	6

9. CALLED UP SHARE CAPITAL

	2005 £'000	2004 £'000
Authorised		
50,000,000 ordinary shares of 5p each	2,500	2,500
Called up, allotted and fully paid		
25,124,059 ordinary shares of 5p each	1,256	1,256

FILOFAX GROUP LIMITED

NOTES TO THE ACCOUNTS Year ended 31 January 2005

10. STATEMENT OF RESERVES

	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
At 1 February 2004	1,990	325	814	3,129
Profit/(loss) for the year	-	-	-	-
	<u>1,990</u>	<u>325</u>	<u>814</u>	<u>3,129</u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2005 £'000	2004 £'000
Profit/(loss) for the financial year	4,000	(6,231)
Dividends	(4,000)	(3,000)
Net movement in shareholders' funds	-	(9,231)
Opening shareholders' funds	<u>4,385</u>	<u>13,616</u>
Closing shareholders' funds	<u>4,385</u>	<u>4,385</u>

12. CONTINGENT LIABILITIES

Guarantees have been given by the company for group borrowings which at 31 January 2005 amounted to £Nil (2004 - £3,122,000).

13. PARENT COMPANY

The parent undertaking of the largest and smallest group, which includes the company and for which group accounts are prepared, is the company's ultimate parent company, Letts Filofax Group Limited, a company registered in Scotland. Copies of the group financial statements are available from 16 Charlotte Square, Edinburgh, EH2 4DF.

14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under Financial Reporting Standard 8 with regard to the non-disclosure of transactions between group companies.