

Access Plus Marketing Services Limited

Annual Report

Year ended 31 December 2005



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Contents of the Annual Report

	Page
Company information	1
Chief Executive's review	2-4
Report of the directors	5-7
Independent auditors' report	8
Profit and loss account	9
Statement of total recognised gains and losses	10
Balance sheet	11
Notes to the financial statements	12-22

Company information

Directors	JCE Cromack DPA Emerson R Hodgson FC McGoldrick
Secretary	J Holmes
Registered office	Access House The Promenade Clifton Down Bristol BS8 3AQ
Registered number	1594411
Auditors	RSM Robson Rhodes LLP Chartered Accountants Centre City Tower 7 Hill Street Birmingham B5 4UU
Bankers	HSBC Bank Plc 49 Corn Street Bristol BS99 7PP
Solicitors	Hammonds Rutland House 148 Edmund Street Birmingham B3 2JR

Chief Executive's review

Year ended 31 December 2005

Overview

AccessPlus' strategy is to provide its customers with innovative print management and business communication solutions, which remove considerable cost from within their organisations. Using the experience of our staff, service offering and technology we are able to provide our customers with tailored solutions which re-engineer and manage the way they communicate their corporate messages. A corporate message is anything from a brochure to direct mail, point of sale, emails, report and accounts, or an invoice.

The print industry is the UK's fifth largest sector and the supply chain is complex and incredibly fragmented. As a result, customers with a large print spend will almost certainly be able to save money from an outsourced print management solution. AccessPlus has demonstrated savings of over 30% to a number of its customers.

In the current environment, businesses are looking to reduce headcount and external spend. Customers are seeking contracted relationships with partners to whom they can outsource their print and associated spend. These contract terms range from 12 months to 10 years and will allow AccessPlus to deliver an annuity business. We are already working in partnership with a number of leading businesses, across a variety of sectors including: financial services, retail, charities, telecommunications and IT.

In 2005 our contracted revenue increased by 50% and we will look to increase this further in the short to medium term thus giving the business greater visibility in future earnings.

The twelve months to 31 December 2005 represented a period of substantial business infrastructure improvement, service integration and corporate development. Whilst not in the period under review it is important to highlight the disposal of the high-volume direct mail business, Stream, on 31 March 2006, by our parent company, TripleArc Plc. TripleArc Plc retained the 'added-value' marketing solutions element of the Stream business located at separate premises. This new business has been named AccessPlus Marketing Logistics and has been 'hived-up' into a subsidiary company of AccessPlus Marketing Services. This will allow AccessPlus to provide its customers with data, response and document management solutions that will enable them to further streamline their communication supply chain.

To enable AccessPlus to deliver on its strategy, important investments in new staff (in the areas of contract management, procurement, managed solutions, and human resources), IT infrastructure and new property in London and Swindon were undertaken during 2005, which have provided a solid foundation for future growth and development.

Outsourced Solutions

AccessPlus provides services to many major organisations, including BAA, BMI Healthcare, Skandia, MS Society, Virgin Mobile and Virgin Megastores, Apple, Nationwide Building Society and The Football Association.

AccessPlus is focused on developing each customer by providing additional added value services to those we are first contracted to provide. This not only delivers revenue growth, but strengthens the partnership we have with our customers as we are able to provide them with further cost savings from the range of services we provide.

Focus continues on converting non-contracted customers onto contracts and our ability to offer additional services will lead to further revenue growth opportunities.

The management team is also focused on winning new long term contracts to drive organic growth. These contracts require significant investment in terms of management time to win, to implement, and often involve financial investment to set up. Typically it can take anything from one month to a year from winning a contract to generating full revenues.

Chief Executive's review (continued)

A US Partnership

During 2005, discussions were entered into with Standard Register, a leading document services provider in the US, to provide their US based customers with a European solution. In March 2006, AccessPlus Marketing Services Limited, and Standard Register entered into an alliance to better serve their customers in North America and Europe. The reciprocal relationship provides customers with print management services and technology integration that helps both companies' customers ensure brand consistency worldwide, whilst driving cost out of the supply chain.

One of the key drivers of the relationship with Standard Register is to provide our respective global clients with more products and services at all their locations. The Group's technology is well established in the US and is used by Standard Register providing both parties with a common platform for its print procurement. AccessPlus and Standard Register have standardised procedures and reporting strategies to facilitate a common service offering. AccessPlus is already providing print management services for a number of Standard Register's customers in the UK and Europe.

Technology

IT is a key component in an outsourced solution for streamlining and removing cost from the supply chain. The technology expertise within the business provides key support in delivering customer solutions, and the Group's proprietary software gives the business a considerable advantage in this area.

Our suppliers are now connected to the business via our proprietary online Collaborative Workflow System (CWS) and we continue to work with our supplier base to ensure best procurement practice.

We are currently in development with a new solution which will enable our customers to receive instant print quotations from the business's approved supplier base. The solution is being tested with a number of our suppliers and the initial results are very encouraging both in terms of process improvement and customer interest from a new business perspective.

Further enhancements have been made to our edit2print solution, a leading online PDF editing software. A number of our customers including BMI Healthcare licensed this solution in 2005, removing significant cost from their supply-chain. These costs include reversion costs typically charged by the design or marketing agency.

The Online Stock Catalogue and Ordering System (OSCOS) is now fully deployed within many of our customers. OSCOS provides AccessPlus' customers with a shop window displaying the printed products they have stored within our warehousing facilities and allows them to order goods, check stock levels as well as many other business controls required for sound inventory management. OSCOS is a market-leading solution and again strengthens our partnerships with our customers.

Business Structure

AccessPlus Marketing Services Ltd and its wholly owned subsidiary AccessPlus Marketing Logistics are part of the TripleArc Group of companies. TripleArc plc is the parent company of the TripleArc Group and is listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

AccessPlus Marketing Services are print management experts. From individual projects through to multi-million pound budgets, our experienced teams combine innovation, knowledge and buying power to provide efficient, effective solutions to reduce cost and streamline buying processes.

AccessPlus Marketing Logistics deliver multi channel, data centric services which enable customers to output communications to the right people, at the right time, using the right method, thus driving out unnecessary costs and increasing return on investment. Working together, the two companies provide a complete range of integrated solutions, right through the print & communications production supply chain.

Chief Executive's review (continued)

Staff

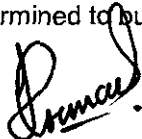
The year under review was one of change and the executive management team would like to thank it's staff for the commitment, professionalism and loyalty that they have shown during this period. AccessPlus can differentiate itself because of its people and the skills that they provide to customers, and they are the resource that underpins the strategy going forward.

Current Trading & Outlook

The Board is beginning to see momentum building from maintaining its strategy of pursuing contracted revenue and account development. These early positive signs, combined with a further strategic review, have convinced the Board that continued investment in sales, marketing and account management are justified as opposed to further cost reductions.

The Group has been successful in early 2006, in securing new contract wins but given a better understanding of the period taken to fully realise the results of these wins, and the much greater potential benefit of taking the time to get it right, the Board is cautious in its immediate expectations for their impact.

The Group is committed to delivering innovative print management and business communication solutions which will deliver future benefits for its customers, suppliers, investors and staff and the Board is determined to build a secure long term business model.



J Cromack
Chief Executive Officer
11 October 2006

Report of the directors

The directors present their report and the audited financial statements for the year ended 31 December 2005.

Results and dividends

The profit after tax for the year amounted to £2,162,255 (2004: £2,735,517 as restated). The directors do not recommend the payment of a dividend (2004: £Nil).

Details of the results for the year are set out in the profit and loss account on page 9 and in the related notes forming part of the financial statements.

Principal activities and business review

The principal activity of the company in the year was the provision of print related marketing services. During the previous year, the trade, business and assets of gl2 Limited, West Riding Business Forms Limited, Software Stationery Specialists Limited and Software Stationery Holdings Limited were transferred into the company. During 2005 the investments in the share capital of those companies were also transferred into the company.

Directors and their interests

The directors who held office during the year were as follows:

JCE Cromack
D Caldwell (resigned 14 October 2005)
DPA Emerson (appointed 26 September 2005)
NJ Haigh (resigned 10 July 2006)
R Hodgson (appointed 26 September 2005)
PRV Houston (resigned 28 June 2005)
G Kempton (resigned 1 June 2006)
FC McGoldrick
ND Watson (resigned 17 June 2005)
JT Wong (resigned 20 January 2006)

None of the directors had any interest in the share capital of the company

Of the directors who held office at 31 December 2005, or were appointed later, their interests in the share capital of the ultimate parent undertaking, TripleArc Plc is as follows:

Ordinary shares of 5p each

	At 31 December 2005 or date of appointment	At 1 January 2005
JCE Cromack	4,617,705	4,617,705
DPA Emerson	-	-
NJ Haigh	5,005,100	4,205,100
R Hodgson	-	-
G Kempton	72,847	72,847
FC McGoldrick	588,015	588,015
JT Wong	2,210,000	2,210,000

Report of the directors (continued)**Directors and their interests** (cont'd)**Share options**

	At 1 January 2005 - No. of shares under options	At 31 December 2005 or date of appointment - No. of shares under options	Weighted average exercise price per share	First date exercisable	Last date exercisable
Director:					
JCE Cromack	1,403,738	1,403,738	19.00p	*	October 2007
DPA Emerson	450,000	450,000	16.00p	*	June 2006
NJ Haigh	450,000	450,000	16.00p	*	June 2006
R Hodgson	-	500,000	5.00p	October 2008	October 2015
G Kempton	170,000	170,000	18.25p	*	June 2006
FC McGoldrick	450,000	450,000	16.00p	*	June 2006
JT Wong	3,145,000	3,145,000	11.00p	January 2002	October 2007

* The ability of the Directors to exercise share options depends on certain trigger events. None of these events have triggered as at the date of approval of these financial statements.

According to the Register of Directors' Interests, no other rights (save those shown above) to subscribe for shares in or debentures of the company or any other group company were granted to any director who held office at the end of the financial year or their immediate families, or were exercised by them during the financial year.

Creditor payment policy and practice

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

At 31 December 2005 the company had an average of 59 days' purchases outstanding in trade creditors.

Financial risk management

The company has entered into cross-guarantees in respect of the group banking facilities of TripleArc Plc. The main facilities are organised through TripleArc Plc.

The company's sources of finance include bank borrowings and cash, agreed and managed within the overall group facility and to which attaches some interest rate risk for the company.

A small number of the company's customers and suppliers are outside the UK, with some sales and expenses arising in foreign currency, though within short-term timescales. There is therefore also a limited degree of foreign exchange risk.

The company's other principal financial assets are trade debtors, and the company's credit risk is primarily attributable to its trade debtors.

The credit risk on liquid funds is limited, because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. It is also the company's current policy that no trading in financial instruments shall be undertaken.

The company complies with the group's policies for managing risks. These policies are summarised as follows:

Report of the directors (continued)

Financial risk management (cont'd)

Foreign exchange risk

The company manages the foreign exchange risk arising on substantial transactions with customers and suppliers by agreeing exchange rate ranges with suppliers, and customers.

Interest rate risk

The company has not entered into arrangements whereby it would be exposed to long-term interest rate risk. No derivative instruments are used by the group.

Credit risk

Credit risk is managed by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating. The amounts presented in the balance sheet are net of allowances for doubtful debts, estimated by the company's management based on current circumstances, prior experience and their assessment of the current economic environment. The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Statement of directors' responsibilities for the financial statements

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 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;
- state whether applicable 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.

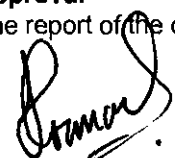
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

KPMG resigned as auditors during the year and RSM Robson Rhodes LLP were appointed in their place. RSM Robson Rhodes LLP are willing to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approval

The report of the directors was approved by the Board on 11 October 2006 and signed on its behalf by:



JCE Cromack
Director

Independent auditors' report to the shareholders of Access Plus Marketing Services Limited

We have audited the financial statements on pages 9 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 to you 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RSM Robson Rhodes LLP
Chartered Accountants and Registered Auditors
Birmingham, England
11 October 2006

Profit and loss account

for the year ended 31 December 2005

	Note	2005 pre intra group management charges £	Intra-group management charges £	Total 2005 £	Restated 2004 £
Turnover – continuing operations	2	44,465,821	-	44,465,821	28,535,976
Cost of sales		(32,910,617)	-	(32,910,617)	(22,043,613)
Gross profit		11,555,204	-	11,555,204	6,492,363
Administrative expenses excluding exceptional items		(7,485,539)	(1,870,058)	(9,355,597)	(4,005,976)
Exceptional items	3	(257,168)	-	(257,168)	-
Total administrative expenses		(7,742,707)	(1,870,058)	(9,612,765)	(4,005,976)
Operating profit/(loss)					
Before exceptional items		4,069,665	(1,870,058)	2,199,607	2,486,387
Exceptional items	3	(257,168)	-	(257,168)	-
Total operating profit/(loss)	3	3,812,497	(1,870,058)	1,942,439	2,486,387
Interest receivable		89,017	-	89,017	18,560
Interest payable		(7,146)	-	(7,146)	-
Profit/(loss) on ordinary activities before taxation		3,894,368	(1,870,058)	2,024,310	2,504,947
Tax on profit on ordinary activities	6			137,945	230,570
Retained profit for the financial year	16			2,162,255	2,735,517
Profit and loss account at the beginning of the year				3,255,505	519,988
Profit and loss account at the end of the year				5,417,760	3,255,505

Statement of Total Recognised Gains and Losses

	2005 £	Restated (note 4) 2004 £
Profit attributed to shareholders	2,162,255	2,735,517
Prior year adjustment (note 4)	301,000	-
	<hr/>	<hr/>
Total gains and losses recognised since last annual report	2,463,255	2,735,517
	<hr/>	<hr/>

Balance sheet

at 31 December 2005

	Note	2005 £	As restated 2004 £
Fixed assets			
Investments	7	1,207,852	238,600
Intangible assets	8	27,260	161,897
Tangible assets	9	1,464,736	1,562,568
		<hr/>	<hr/>
		2,699,848	1,963,065
Current assets			
Stocks	10	1,179,481	1,022,259
Debtors	11	18,656,749	20,031,560
Cash at bank and in hand		991,671	105,684
		<hr/>	<hr/>
Creditors: amount falling due within one year	12	20,827,901 (18,095,612)	21,159,503 (19,791,660)
		<hr/>	<hr/>
Net current assets		2,732,289	1,367,843
		<hr/>	<hr/>
Total assets less current liabilities		5,432,137	3,330,908
Creditors: amount falling due after one year	13	(13,377)	(17,150)
Provisions for liabilities and charges			
Deferred taxation	14	-	(57,253)
		<hr/>	<hr/>
Net assets		5,418,760	3,256,505
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	15	1,000	1,000
Profit and loss account	16	5,417,760	3,255,505
		<hr/>	<hr/>
Equity shareholders' funds	16	5,418,760	3,256,505
		<hr/>	<hr/>

The financial statements were approved by the Board on 11 October 2006 and signed on its behalf by:



JCE Cromack
Director

Notes to the financial statements

31 December 2005

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements only present information about the company and do not contain information relating to the group as a whole. The company is not required to prepare group accounts under Section 228 of the Companies Act 1985 as the company is a wholly-owned subsidiary of TripleArc plc, a company incorporated in Great Britain, and whose subsidiary undertakings are included by full consolidation in the accounts of that undertaking.

Tangible fixed assets and depreciation

Depreciation is provided on the cost of tangible fixed assets, to write them down to their estimated residual value over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to recoverable amount.

Leasehold improvements have been depreciated, using the straight-line method, over the period of the lease to the date of the next option-to-break clause.

The principal annual rates used for other assets are:

Freehold land	- Nil
Freehold buildings	- 40 years straight line
Computers, associated equipment and software	- 3-10 years straight line
Fixtures and fittings	- 4-10 years straight line
Motor Vehicles	- 3-5 years straight line

Investments

Investments in subsidiaries are stated at cost less provision for impairment where necessary to reduce book value to recoverable amount.

Intangible assets and goodwill

Intangible assets represent intellectual property and goodwill. Purchased goodwill arising on the acquisition of a business (representing the excess of the fair value of the consideration given over the fair value of the separable assets and liabilities acquired) is capitalised. Positive goodwill is amortised on a straight-line basis over its estimated useful life. Purchased goodwill is being amortised over 15-20 years. Intellectual property acquired (together with the related costs of acquisition) is being amortised over three years.

Where events or circumstances indicate that the carrying amount of intangible assets may not be recoverable, the company estimates the recoverable amount based on the present value of future cash flows expected to result from the use of the asset and its eventual disposal. Where this amount is less than the carrying amount of the asset, the company will recognise an impairment loss.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date that the transaction occurred. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at the balance sheet date or at forward purchase contract rates where such contracts exist. Exchange differences are taken to the profit and loss account.

Notes to the financial statements

31 December 2005

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost, on a first-in, first-out basis and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred tax is provided, on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences in the treatment of certain items for accounting and taxation purposes.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Pensions

The company contributes to a number of defined contribution personal pension plans held for the benefit of individual employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

Leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Government grants

Government grants received are allocated pro-rata against the qualifying expenditure. Amounts relating to revenue expenditure in respect of job creation are credited to the profit and loss account immediately upon receipt. Amounts in respect of capital expenditure are treated as deferred income and released to profit and loss account over the lives of the qualifying assets.

Cash flow statement

The company claims exemption from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of TripleArc Plc which has prepared a group cash flow statement.

2. TURNOVER

Turnover represents the amount derived from the provision of goods and services during the year stated net of value added tax. The turnover and pre-tax profit is attributable to one continuing activity, the provision of print related management services within the United Kingdom.

Analysis of turnover by geographical market:	2005	2004
	£	£
United Kingdom	44,129,821	28,255,976
Other	336,000	280,000
	<hr/>	<hr/>
	44,465,821	28,535,976
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Notes to the financial statements

31 December 2005

3. OPERATING PROFIT

This is stated after charging/(crediting):

	2005 £	2004 £
Auditors' remuneration		
- audit service	-	8,000
- non-audit services	-	-
Depreciation of owned fixed assets	264,027	136,978
Amortisation of intangible assets	18,201	9,096
Loss/(profit) on disposal of tangible fixed assets	13,107	(1,155)
Operating lease rentals – plant and machinery	-	-
Operating lease rentals – other	425,554	-
Technology fees	-	618,260
	<hr/>	<hr/>

Auditors' remuneration is borne by other group companies.

Exceptional items charged against operating profit comprise ;

	2005 £	2004 £
Recruitment, reorganisation and integration costs	52,132	-
Write off of intellectual property asset transferred from another group company	116,436	-
Write off of investments transferred from another group company	88,600	-
	<hr/>	<hr/>
	257,168	-
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Notes to the financial statements

31 December 2005

4. PRIOR YEAR ADJUSTMENT

The 2004 comparative figures have been restated to correct a fundamental error relating to tax. The impact of these restatements upon the 2004 profit and loss account is described below:

	2004 £
Profit for the 2004 financial year before restatement	2,434,517
Corporation tax impact	301,000
	<hr/>
Restated profit for the 2004 financial year	2,735,517
	<hr/>
The effect on the balance sheet is shown below:	
Net assets before re-statement	2,955,505
Creditors falling due within one year	301,000
	<hr/>
Net assets after restatement	3,256,505
	<hr/>

5. STAFF COSTS

a)	2005 £	2004 £
Wages, salaries and fees	3,733,375	2,896,162
Social security costs	428,586	292,822
Other pension costs	68,790	37,252
	<hr/>	<hr/>
	4,230,751	3,226,236
	<hr/>	<hr/>

The average monthly number of employees during the year was 101 (2004: 105). All employees are engaged in print management and support.

Directors remuneration

	2005 £	2004 £
Remuneration to directors (including company pension contributions) during the year	169,739	-
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Notes to the financial statements

31 December 2005

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

a) The taxation charge for the year is analysed below:

	2005 £	As restated 2004 £
Current taxation		
UK corporation tax	-	(219,531)
	-	(219,531)
Deferred tax (note 14)		
Origination and reversing of timing differences	(92,329)	(11,039)
Adjustment in respect of prior years	(45,616)	-
	(137,945)	(11,039)
Tax on profit on ordinary activities	(137,945)	(230,570)

b) Factors affecting the current tax charge

The tax assessed on the profit on ordinary activities for the year is different to the standard rate of corporation tax in the UK of 30% (2004 – 30%). The differences are reconciled below:

	2005 £	As restated 2004 £
Profit on ordinary activities before tax	2,024,310	2,504,947
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004: 30%)	607,293	751,484
Effects of:		
Expenses not deductible for tax purposes	146,610	64,977
Accelerated capital allowances	58,691	11,039
Other short term timing differences	33,638	-
Loss relief surrendered from group companies	(846,232)	(607,969)
	-	(219,531)

Notes to the financial statements

31 December 2005

7. INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 January	238,600
Transferred in year from fellow group undertakings	1,057,852
	<hr/>
At 31 December 2005	1,296,452
	<hr/>
Written Off	
At 1 January	-
Written off during year	(88,600)
	<hr/>
At 31 December 2005	(88,600)
	<hr/>
Net Book Value	
At 31 December 2005	1,207,852
	<hr/> <hr/>
At 31 December 2004	238,600
	<hr/> <hr/>

The shares in group undertakings held by the company comprise:

	Incorporated in:	Capital and reserves	Profit for the year	Holding
g12 Limited	UK	24,500	-	100%
Software Stationery Holdings Ltd	UK	284,089	-	100%
Software Stationery Specialists Ltd	UK	749,262	-	100%
West Riding Business Forms Ltd	UK	1	-	100%
Godfrey Lang Limited	UK	(100)	-	100%

During the year the investment in Godfrey Lang Limited was written off.

Also during the year the share capital of g12 Limited, West Riding Business Forms Limited, Software Stationery Specialists Limited and Software Stationery Holdings Limited were transferred into the company from other group companies.

Notes to the financial statements

31 December 2005

8. INTANGIBLE ASSETS

Intellectual property (copyrights and trademarks)

	Total £
Cost	
At 1 January 2005	273,006
Written off	(182,145)
	<hr/>
At 31 December 2005	90,861
	<hr/>
Amortisation	
At 1 January 2005	111,109
Charged in year	18,201
Written off	(65,709)
	<hr/>
At 31 December 2005	63,601
	<hr/>
Net book value	
At 31 December 2005	27,260
	<hr/> <hr/>
At 31 December 2004	161,897
	<hr/> <hr/>

The write off in the year related to the intellectual property in Tetra.

Notes to the financial statements

31 December 2005

9. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Leasehold improve- ments	Computers, associated equipment and software	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2005	-	1,085,064	410,912	512,884	128,723	2,137,583
Reclassification	1,026,342	(882,057)	530,512	(80,098)	123,516	718,215
	1,026,342	203,007	941,424	432,786	252,239	2,855,798
Additions	-	112,074	6,046	54,067	19,795	191,982
Disposals	-	-	-	-	(111,243)	(111,243)
At 31 December 2005	1,026,342	315,081	947,470	486,853	160,791	2,936,537
Depreciation						
At 1 January 2005	-	83,374	-	440,892	50,749	575,015
Reclassification	111,452	32,833	582,014	(131,600)	123,516	718,215
	111,452	116,207	582,014	309,292	174,265	1,293,230
Charge for the year	16,240	33,190	143,844	37,673	33,080	264,027
Disposals	-	-	-	-	(85,456)	(85,486)
At 31 December 2005	127,692	149,397	725,858	346,965	121,889	1,471,801
Net book value						
At 31 December 2005	898,650	165,684	221,612	139,888	38,902	1,464,736
At 31 December 2004	914,890	86,800	359,410	123,494	77,974	1,562,568

The reclassification relates to the grossing up of assets transferred to the company from other group companies to the correct cost and accumulated depreciation and also the transfer of assets between categories. There has been no impact on the brought forward NBV as a result of these changes.

Notes to the financial statements

31 December 2005

10. STOCKS

	2005 £	2004 £
Work in progress	1,179,481	1,022,259

There are no material differences between the replacement cost of the above stocks and their balance sheet amounts.

11. DEBTORS

	2005 £	As restated 2004 £
Trade debtors	7,753,908	11,826,738
Amounts owed by parent undertaking	1,191,216	2,226,568
Amounts owed by ultimate parent undertaking	9,519,441	5,706,193
Prepayments and accrued income	112,184	272,061
Deferred tax (note 14)	80,000	-
	<u>18,656,749</u>	<u>20,031,560</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	As restated 2004 £
Trade creditors	7,631,097	8,676,560
Amounts due to subsidiary undertakings	8,301,763	8,301,763
Amounts due to other group undertakings	1,223,010	1,555,407
Corporation tax	92,035	91,349
Other taxes and social security costs	442,298	744,354
Accruals	401,293	416,884
Sundry creditors	4,116	5,343
	<u>18,095,612</u>	<u>19,791,660</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2005 £	2004 £
Deferred income – Government grants	13,377	17,150

Notes to the financial statements

31 December 2005

14. PROVISION FOR LIABILITIES AND CHARGES

	2005 £	2004 £
Deferred taxation:		
At 1 January	57,253	39,330
Transferred in from other group companies	-	28,962
Adjustment to prior period	(45,616)	-
Movement in the year	(91,637)	(11,039)
	<hr/>	<hr/>
At 31 December	(80,000)	57,253
	<hr/>	<hr/>

Deferred taxation provided in the financial statements which represents the full potential liability is as follows:

Short term timing differences	(85,181)	-
Capital allowances in advance of depreciation	5,181	57,253
	<hr/>	<hr/>
	(80,000)	57,253
	<hr/>	<hr/>

All timing differences are expected to reverse in the foreseeable future.

15. SHARE CAPITAL

	2005 £	2004 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
Issued, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>

16. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital £	Profit and loss account £	Total Shareholder's funds £
At 1 January 2005 as previously stated	1,000	2,954,505	2,955,505
Prior year adjustment (note 4)	-	301,000	301,000
	<hr/>	<hr/>	<hr/>
At 1 January 2005	1,000	3,255,505	3,256,505
Profit for the year	-	2,162,255	2,162,255
	<hr/>	<hr/>	<hr/>
At 31 December 2005	1,000	5,417,760	5,418,760
	<hr/>	<hr/>	<hr/>

Notes to the financial statements

31 December 2005

17. PENSION COMMITMENTS

The company complies with the requirements of the Stakeholder Pension provisions through a defined contribution group personal pension scheme. A number of employees choose to make contributions to this scheme. The total contributions of the company during the year were £28,885 (2004: £37,252). The company also administers and contributes to another defined contribution group personal pension plan on behalf of qualifying employees. The total contributions of the company during the year to this plan were £39,905 (2004: £42,261). There were no contributions remaining unpaid at 31 December 2005.

18. CONTINGENT LIABILITIES

The company has entered into cross guarantees in respect of the group banking facilities of TripleArc Plc.

19. OTHER FINANCIAL COMMITMENTS

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as set out below:

	2005		2004	
	Land and Buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
- within one year	-	22,954	-	-
- in two to five years	465,998	26,764	256,000	-
	<u>465,998</u>	<u>26,764</u>	<u>256,000</u>	<u>-</u>

20. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in "FRS 8: Related Party Disclosures" (FRS 8) from disclosing transactions with other related parties which form part of the TripleArc Plc group of companies.

21. ULTIMATE AND IMMEDIATE PARENT UNDERTAKING

The company's ultimate parent undertaking is TripleArc Plc. Copies of the group financial statements of TripleArc Plc, being the smallest and largest group preparing group financial statements which includes Access Plus Marketing Services Limited may be obtained from Access House, The Promenade, Clifton Down, Bristol, BS8 3AQ.