

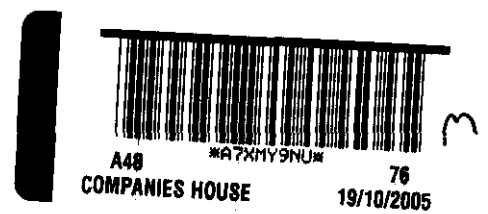


Company Registration No. 04309805 (England and Wales)

FILING PLUS GROUP PLC

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2005



FILING PLUS GROUP PLC

DIRECTORS AND ADVISERS

Directors	M Fitzer G F Spragg
Secretary	D E Gregory
Company number	04309805
Registered office	Kings Parade, Lower Coombe Street Croydon Surrey CR0 1AA
Registered auditors	Taylor Viney & Marlow 46-54 High Street Ingatestone Essex CM4 9DW
Business address	232 Bishopsgate London EC2M 3RA

FILING PLUS GROUP PLC

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FILING PLUS GROUP PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

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

Directors

The following directors have held office since 1 April 2004:

M Fitzer
G F Spragg

Principal activities and review of the business

The principal activity of the company continued to be that of the provision of filing storage solutions.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

The consolidated profit and loss account for the year is set out on page 5.

An interim ordinary dividend was paid amounting to £50,000. The directors do not recommend payment of a final dividend.

Future developments

The directors have no plans to diversify from the company's core activities.

Directors' interests

The directors' interests in the shares of the company and other group companies were as stated below:

Filing Plus Group Plc

Ordinary shares of £ 1 each	
31 March 2005	1 April 2004
M Fitzer	25,000
G F Spragg	25,000

Filing Plus Limited

Ordinary shares of £ 1 each	
31 March 2005	1 April 2004
M Fitzer	25,000
G F Spragg	25,000

2005	2004
£	£

During the year the group made the following payments:
Charitable donations

445	75
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FILING PLUS GROUP PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 135 (2004- 160) days' purchases.

Auditors

Taylor Viney & Marlow were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Directors' responsibilities

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 group and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



M Fize

Director

13 October 2005

FILING PLUS GROUP PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FILING PLUS GROUP PLC

We have audited the financial statements of Filing Plus Group Plc on pages 5 to 20 for the year ended 31 March 2005. These financial statements have been prepared under the historical cost convention and 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 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 described in the statement of directors' responsibilities on page 2 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 United Kingdom 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 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 transactions with the company 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 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 and the group'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.

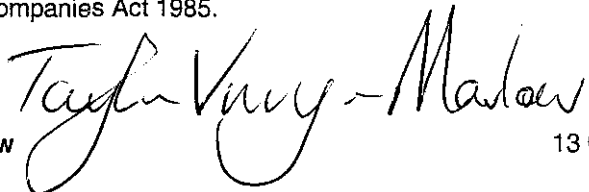
FILING PLUS GROUP PLC

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF FILING PLUS GROUP PLC

Opinion

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

Taylor Viney & Marlow



13 October 2005

Chartered Accountants
Registered Auditor

46-54 High Street
Ingatestone
Essex
CM4 9DW

FILING PLUS GROUP PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Turnover	2	2,235,056	2,068,000
Cost of sales		(296,956)	(312,294)
Gross profit		1,938,100	1,755,706
Administrative expenses		(1,637,881)	(1,542,850)
Operating profit	3	300,219	212,856
Loan to associate company written off		(60,870)	-
Profit on ordinary activities before interest		239,349	212,856
Other interest receivable and similar income		829	-
Interest payable and similar charges	4	(4,554)	(3,976)
Profit on ordinary activities before taxation		235,624	208,880
Tax on profit on ordinary activities	5	(58,797)	(53,328)
Profit on ordinary activities after taxation		176,827	155,552
Dividends	7	(50,000)	(31,000)
Retained profit for the year	18	126,827	124,552

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

FILING PLUS GROUP PLC

BALANCE SHEETS AS AT 31 MARCH 2005

	Notes	Group 2005 £	2004 £	Company 2005 £	2004 £
Fixed assets					
Intangible assets	8	(17,652)	(18,690)	-	-
Tangible assets	9	247,573	231,656	-	-
Investments	10	-	-	40,000	40,000
		<u>229,921</u>	<u>212,966</u>	<u>40,000</u>	<u>40,000</u>
Current assets					
Stocks	11	5,267	-	-	-
Debtors	12	464,435	339,524	9,000	105,870
Cash at bank and in hand		-	10,454	-	-
		<u>469,702</u>	<u>349,978</u>	<u>9,000</u>	<u>105,870</u>
Creditors: amounts falling due within one year	13	<u>(482,635)</u>	<u>(449,021)</u>	-	(36,000)
Net current liabilities		<u>(12,933)</u>	<u>(99,043)</u>	<u>9,000</u>	<u>69,870</u>
Total assets less current liabilities		<u>216,988</u>	<u>113,923</u>	<u>49,000</u>	<u>109,870</u>
Creditors: amounts falling due after more than one year	14	(1,551)	(21,931)	-	-
Provisions for liabilities and charges	15	<u>(35,118)</u>	<u>(38,500)</u>	-	-
		<u>180,319</u>	<u>53,492</u>	<u>49,000</u>	<u>109,870</u>
Capital and reserves					
Called up share capital	17	53,023	53,023	53,023	53,023
Share premium account	18	36,977	36,977	36,977	36,977
Profit and loss account	18	90,319	(36,508)	(41,000)	19,870
Shareholders' funds - equity interests	19	<u>180,319</u>	<u>53,492</u>	<u>49,000</u>	<u>109,870</u>

FILING PLUS GROUP PLC

BALANCE SHEETS (CONTINUED) **AS AT 31 MARCH 2005**

The financial statements were approved by the board on 13 October 2005



M Fitzer
Director

FILING PLUS GROUP PLC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	2005		2004	
	£	£	£	£
Net cash inflow from operating activities		165,775		184,099
Returns on investments and servicing of finance				
Interest received	829		-	
Interest paid	(4,554)		(3,976)	
Net cash outflow for returns on investments and servicing of finance		(3,725)		(3,976)
Taxation		(45,527)		-
Capital expenditure				
Payments to acquire tangible assets	(81,947)		(11,942)	
Net cash outflow for capital expenditure		(81,947)		(11,942)
Equity dividends paid		(50,000)		(31,000)
Net cash (outflow)/inflow before management of liquid resources and financing		(15,424)		137,181
Financing				
Capital element of hire purchase contracts	(20,180)		(71,337)	
Net cash outflow from financing		(20,180)		(71,337)
Decrease in cash in the year		(35,604)		65,844

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

1	Reconciliation of operating profit to net cash inflow from operating activities	2005	2004
		£	£
	Operating profit	300,219	212,856
	Depreciation of tangible assets	65,981	53,688
	Amortisation of intangible assets	(1,038)	(1,038)
	Loss on disposal of tangible assets	49	-
	(Increase)/decrease in stocks	(5,267)	-
	Increase in debtors	(124,911)	(116,154)
	(Decrease)/Increase in creditors within one year	(8,388)	34,747
	Loan to associate company written off	(60,870)	-
	Net cash inflow from operating activities	165,775	184,099

2	Analysis of net debt	1 April 2004	Cash flow	Other non- cash changes	31 March 2005
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	10,454	(10,454)	-	-
	Bank overdrafts	(6,403)	(25,150)	-	(31,553)
		<u>4,051</u>	<u>(35,604)</u>	<u>-</u>	<u>(31,553)</u>
	Finance leases	(41,018)	20,180	-	(20,838)
	Net debt	(36,967)	(15,424)	-	(52,391)

3	Reconciliation of net cash flow to movement in net debt	2005	2004
		£	£
	(Decrease)/increase in cash in the year	(35,604)	65,844
	Cash outflow/(inflow) from decrease/(increase) in debt	20,180	(14,129)
	Movement in net debt in the year	(15,424)	51,715
	Opening net debt	(36,967)	(88,682)
	Closing net debt	(52,391)	(36,967)

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2005. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% Straight Line
Fixtures, fittings & equipment	15% Straight Line
Motor vehicles	25% Straight Line

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock

Stock is valued at the lower of cost and net realisable value.

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

(continued)

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance had not been discounted.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2005 £	2004 £
Operating profit is stated after charging:		
Depreciation of intangible assets	(1,038)	(1,038)
Depreciation of tangible assets	65,981	53,688
Loss on disposal of tangible assets	49	-
Operating lease rentals	74,436	72,282
Auditors' remuneration (company £-; 2004: £-)	7,500	3,050
Remuneration of auditors for non-audit work	-	6,668

4 Interest payable

	2005 £	2004 £
On bank loans and overdrafts	613	170
Hire purchase interest	3,941	3,806
	<u>4,554</u>	<u>3,976</u>

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

5 Taxation

	£	£
Domestic current year tax		
U.K. corporation tax	62,179	45,527
Current tax charge	62,179	45,527
Deferred tax		
Deferred tax charge/credit current year	(3,382)	7,801
	58,797	53,328
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	235,624	208,880
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	44,769	39,687
Effects of:		
Non deductible expenses	14,487	4,236
Depreciation add back	9,913	10,004
Capital allowances	(9,164)	(19,537)
Other tax adjustments	2,174	11,137
	17,410	5,840
Current tax charge	62,179	45,527

6 Loss for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2005 £	2004 £
Holding company's loss for the financial year	(10,870)	-

7 Dividends

	2005 £	2004 £
Ordinary interim paid	50,000	31,000

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

8 Intangible fixed assets

Group

	Goodwill
	£
Cost	
At 1 April 2004 & at 31 March 2005	75,028
	<hr/>
Amortisation	
At 1 April 2004	93,718
Charge for the year	(1,038)
	<hr/>
At 31 March 2005	92,680
	<hr/>
Net book value	
At 31 March 2005	(17,652)
	<hr/> <hr/>
At 31 March 2004	(18,690)
	<hr/> <hr/>

The net book value of goodwill consists entirely of the negative goodwill in relation to the acquisition of Filing Plus Ltd.

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

9 Tangible fixed assets Group

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2004	288,284	69,634	3,500	361,418
Additions	71,436	10,511	-	81,947
Disposals	-	-	(3,500)	(3,500)
At 31 March 2005	359,720	80,145	-	439,865
Depreciation				
At 1 April 2004	96,552	29,759	3,451	129,762
On disposals	-	-	(3,451)	(3,451)
Charge for the year	53,958	12,023	-	65,981
At 31 March 2005	150,510	41,782	-	192,292
Net book value				
At 31 March 2005	209,210	38,363	-	247,573
At 31 March 2004	191,732	39,875	49	231,656

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Net book values				
At 31 March 2005	59,826	-	-	59,826
At 31 March 2004	72,646	-	-	72,646
Depreciation charge for the year				
31 March 2005	12,820	-	-	12,820
31 March 2004	12,820	-	-	12,820

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

10 Fixed asset investments Company

	Shares in group undertakings £
Cost	
At 1 April 2004 & at 31 March 2005	50,000
Provisions for diminution in value	
At 1 April 2004 & at 31 March 2005	10,000
Net book value	
At 31 March 2005	40,000
At 31 March 2004	40,000

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Office Move Plus Ltd	England and Wales	Ordinary	99
Filing Plus Ltd	England and Wales	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Office Move Plus Ltd	Dormant
Filing Plus Ltd	Provision of filing storage solutions

Office Move Plus Ltd has not been consolidated as the company is dormant and has never traded.

11 Stocks

	Group 2005 £	2004 £	Company 2005 £	2004 £
Finished goods and goods for resale	5,267	-	-	-

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

12 Debtors

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Trade debtors	311,918	217,957	-	-
Amounts owed by group undertakings	-	-	9,000	45,000
Other debtors	69,102	64,870	-	60,870
Prepayments and accrued income	83,415	56,697	-	-
	<u>464,435</u>	<u>339,524</u>	<u>9,000</u>	<u>105,870</u>

13 Creditors : amounts falling due within one year

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Bank loans and overdrafts	31,553	6,403	-	-
Net obligations under finance lease and hire purchase contracts	19,287	19,087	-	-
Trade creditors	109,973	136,777	-	-
Corporation tax	62,179	45,527	-	-
Taxes and social security costs	52,767	45,925	-	-
Directors current accounts	-	45,654	-	34,232
Other creditors	122,630	118,482	-	1,768
Accruals and deferred income	84,246	31,166	-	-
	<u>482,635</u>	<u>449,021</u>	<u>-</u>	<u>36,000</u>

The bank overdraft is secured by debenture dated 10 April 2001.

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

14 Creditors : amounts falling due after more than one year

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Net obligations under finance leases and hire purchase agreements	1,551	21,931	-	-
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	19,287	19,087	-	-
Repayable between one and five years	1,551	21,931	-	-
	20,838	41,018	-	-
Included in liabilities falling due within one year	(19,287)	(19,087)	-	-
	1,551	21,931	-	-

15 Provisions for liabilities and charges

Group

	Deferred taxation £
Balance at 1 April 2004	38,500
Profit and loss account	(3,382)
Balance at 31 March 2005	35,118

The deferred tax liability is made up as follows:

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Accelerated capital allowances	35,118	38,500	-	-

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

16 Pension costs

Defined contribution

	2005 £	2004 £
Contributions payable by the group for the year	48,000	4,950

17 Share capital

	2005 £	2004 £
Authorised		
100,000 Ordinary shares of each	100,000	100,000
Allotted, called up and fully paid		
53,023 Ordinary shares of each	53,023	53,023

18 Statement of movements on reserves Group

	Share premium account £	Profit and loss account £
Balance at 1 April 2004	36,977	(36,508)
Retained profit for the year	-	126,827
Balance at 31 March 2005	36,977	90,319

Company

	Share premium account £	Profit and loss account £
Balance at 1 April 2004	36,977	19,870
Retained loss for the year	-	(60,870)
Balance at 31 March 2005	36,977	(41,000)

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

19 Reconciliation of movements in shareholders' funds		
	2005	2004
Group	£	£
Profit for the financial year	176,827	155,552
Dividends	(50,000)	(31,000)
Net addition to shareholders' funds	126,827	124,552
Opening shareholders' funds	53,492	(71,060)
Closing shareholders' funds	180,319	53,492
Company	2005	2004
	£	£
Loss for the financial year	(10,870)	-
Dividends	(50,000)	(31,000)
Net depletion in shareholders' funds	(60,870)	(31,000)
Opening shareholders' funds	109,870	140,870
Closing shareholders' funds	49,000	109,870

20 Financial commitments

At 31 March 2005 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2005	2004	2005	2004
	£	£	£	£
Expiry date:				
Within one year	-	-	19,809	-
Between two and five years	51,610	56,984	-	12,879
	51,610	56,984	19,809	12,879

21 Directors' emoluments	2005	2004
	£	£
Emoluments for qualifying services	30,347	18,347
Company pension contributions to money purchase schemes	48,000	4,950

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2004- 2).

FILING PLUS GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

22 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2005 Number	2004 Number
Permanent	31	31
Temporary	54	59
	<u>85</u>	<u>90</u>

Employment costs

	2005 £	2004 £
Wages and salaries	1,071,132	961,303
Social security costs	97,032	89,651
Other pension costs	48,000	4,950
	<u>1,216,164</u>	<u>1,055,904</u>