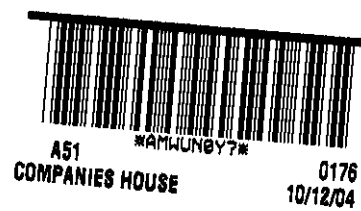


Software Stationery Specialists Limited

Report and Financial Statements

31 December 2003



Software Stationery Specialists Limited

Registered No: 2736545

Directors

T G Brettell (resigned 12 January 2004)
J C E Cromack (appointed 12 January 2004)
F C McGoldrick
D Caldwell
P R V Houston
J T Wong (appointed 12 January 2004)
S T Avery (resigned 12 January 2004)

Secretary

Y P Fowen (resigned 30 September 2004)
A C Smith (appointed 30 September 2004)

Auditors

KPMG
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

Bankers

HSBC Bank plc
49 Corn Street
Bristol
BS99 7PP

Solicitors

Burges Salmon
Narrow Quay House
Narrow Quay
Bristol
BS1 4AH

Registered Office

Access House
The Promenade
Clifton Down
Bristol
BS8 3AQ

Trading Address

Wheatfield Way
Hinckley
Leicestershire
LE10 1YG

Directors' report

Year ended 31 December 2003

The directors present their report and financial statements for the year ended 31 December 2003.

Results and dividends

The profit after taxation for the year amounted to £1,085,510 (2002 - £936,775). No dividends have been declared or paid in the year (2002 - £NIL). The retained profit for the year of £1,085,510 (2002 - £936,775) is transferred to reserves.

Review of the business and future developments

The principal activity of the company is the provision of print related marketing services.

Directors' and their interests

The Directors who held office at 31 December 2003 had no interests other than those shown below in the shares in, or debentures or loan stock of the company or group of companies.

	Ordinary shares of 5p each	
	At 31 December 2003	At 1 January 2003
T G Brettell (1)	13,452,908	13,452,908
F C McGoldrick	588,015	588,015
D Caldwell	323,383	323,383
P R V Houston (2)	762,760	762,760
S T Avery	3,163,928	3,163,928

1. 13,396,139 shares in which Mr Brettell is interested are held by Roy Nominees Limited, a company registered in England and Wales, as nominee for the trustees of the Brettell Jersey 1990 Trust, the beneficiaries of which include members of the Brettell family. 32,157 shares in which Mr Brettell is interested are held by his wife, Mrs RM Brettell.
2. 27,041 shares in which Mr Houston is interested are held by him on trust for his sons, and 13,181 shares are held by his wife, Mrs S C Houston. On 9 January 2004, Mr Houston sold 400,000 shares at 18.25p in connection with his exercise of options over Access Plus Plc shares during the offer for that company.

Details of the Directors' beneficial interests in share options are as follows:

Director	At the beginning of the year or date of appointment if later, and end of the year. No. of shares under options	Weighted average exercise price per share	First date exercisable	Last date exercisable
P R V Houston	450,000	16.00p	-	30 June 2006
S T Avery	450,000	16.00p	-	30 June 2006

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.

Directors' report *(continued)*

Year ended 31 December 2003

P R V Houston had existing options to purchase 200,000 ordinary shares, in Access Plus Plc, at 170 pence each, at any time between September 2001 and September 2004. On 14 October 2003 Mr Houston exercised these options. At that date the market price of Access Plus shares was 195.50 pence each. All other share options issued by Access Plus Plc to the above Directors were cancelled from the date of acquisition.

On 17 November 2003, TripleArc Plc purchased the entire share capital of Access Plus Plc, the ultimate parent company of Software Stationery Specialists Limited. The interests shown above relate to TripleArc Plc as if the director had been a shareholder throughout 2003.

The following Director held guaranteed Loan Notes that were issued by Access Plus Plc, an intermediate parent undertaking:

	31 December 2003	1 January 2003
	£	£
D Caldwell	32,472	NIL

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 or their immediate families, or exercised by them during the financial year.

Directors' responsibilities

Company law requires the Directors to prepare in accordance with applicable United Kingdom law and accounting standards, financial statements for each financial year which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss 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 have general responsibility for taking such steps as are reasonable to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.

Auditors

Ernst & Young LLP resigned as auditors to the company on 17 December 2003. KPMG were appointed to fill this casual vacancy on the same date. In accordance with Section 384 of the Companies Act 1985, a resolution to appoint KPMG as the company's auditor is to be proposed at the Annual General Meeting.

By order of the board



P R V Houston
Director
28 October 2004



KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Independent auditors' report

to the members of Software Stationery Specialists Limited

We have audited the company's financial statements on pages 5 to 13.

This report is made solely to the company's members, 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

The Directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

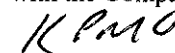
Basis of audit opinion

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 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 affairs of the company as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG
Chartered Accountants
Registered Auditors
Dublin

28 October 2004

Profit and loss account

for the year ended 31 December 2003

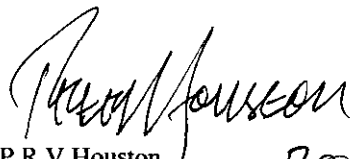
	Notes	2003 £	2002 £
Turnover	2	8,410,318	6,938,603
Cost of sales		(5,481,961)	(4,446,868)
Gross profit		<u>2,928,357</u>	<u>2,491,735</u>
Administrative expenses		(1,383,819)	(1,156,038)
Operating profit	3	1,544,538	1,335,697
Interest receivable	5	4,138	7,721
Profit on ordinary activities before taxation		<u>1,548,676</u>	<u>1,343,418</u>
Tax on profit on ordinary activities	6	(463,166)	(406,643)
Retained profit for the financial year	15	<u>1,085,510</u>	<u>936,775</u>

The company had no recognised gains or losses in the financial year or the preceding financial year other than those dealt with in the profit and loss account.

Balance sheet

at 31 December 2003

	Notes	2003 £	2002 £
Fixed assets			
Intangible assets	7	-	833
Tangible assets	8	1,078,176	1,020,495
		<u>1,078,176</u>	<u>1,021,328</u>
Current assets			
Stocks	9	421,046	391,423
Debtors	10	4,988,937	1,242,256
Cash at bank and in hand		542,535	88,648
		<u>5,952,518</u>	<u>1,722,327</u>
Creditors: amounts falling due within one year	11	(4,211,687)	(1,008,989)
		<u>1,740,831</u>	<u>713,338</u>
Net current assets			
		<u>2,819,007</u>	<u>1,734,666</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	12	(21,266)	(25,382)
Provisions for liabilities and charges			
Deferred taxation	13	(17,533)	(14,586)
		<u>2,780,208</u>	<u>1,694,698</u>
Net assets			
		<u><u>2,780,208</u></u>	<u><u>1,694,698</u></u>
Capital and reserves			
Called up share capital	14	749,262	749,262
Profit and loss account	15	2,030,946	945,436
		<u>2,780,208</u>	<u>1,694,698</u>
Equity shareholder's funds			
		<u><u>2,780,208</u></u>	<u><u>1,694,698</u></u>


P R V Houston
Director

28 October 2004

Notes to the financial statements

at 31 December 2003

1. Accounting policies

Basis of preparation

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

Goodwill and intangible fixed assets

Goodwill represents the excess of the acquisition consideration over the fair value of the identifiable net assets acquired. Intangible fixed assets represent the cost of acquiring the copyright inherent in the design of business forms for specific accounting software packages, either by way of absolute assignment or on a long-term licence. Goodwill and intangible fixed assets are capitalised and amortised on a straight-line basis over the expected useful economic lives of the assets concerned but not exceeding a maximum of 20 years.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life as follows:

Freehold land	-	nil
Freehold buildings	-	40 years
Plant and machinery	-	10 years
Motor vehicles	-	4 years
Fixtures, fittings and computers	-	5 years

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.

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rates ruling on that date. The resultant differences are charged or credited in the profit and loss account.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The company operates a group personal pension scheme on a defined contribution basis for all qualifying 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 income on a straight-line basis over the lease term.

Notes to the financial statements

at 31 December 2003

1. Accounting policies (continued)

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.

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 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.

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 marketing services.

The company's operations are located solely within the United Kingdom and constitute a single class of business. The analysis of turnover by geographical area is set out below:

	2003	2002
	£	£
United Kingdom	8,267,617	6,805,843
Rest of Europe	139,471	129,256
Rest of the world	3,230	3,504
	<u>8,410,318</u>	<u>6,938,603</u>

3. Operating profit

This is stated after charging/(crediting):

	2003	2002
	£	£
Directors' remuneration (see note 4)	174,406	155,070
Amortisation of goodwill and intangible fixed assets	833	2,500
Depreciation of tangible fixed assets	58,851	71,816
Profit on sale of tangible fixed assets	-	(4,027)
Amortisation of government grants	(4,116)	(4,116)
Hire of motor vehicles under operating leases	14,810	22,245
Auditors' remuneration	5,000	5,000
	<u></u>	<u></u>

Notes to the financial statements

at 31 December 2003

4. Staff costs

	2003	2002
	£	£
Wages and salaries	789,617	770,982
Social security costs	83,178	71,611
Pension costs	35,019	36,516
	<u>907,814</u>	<u>879,109</u>

The average monthly number of employees during the year was 28 in sales and administration (2002 - 30) and 3 in stores and production (2002 - 5).

Directors' remuneration (included in staff costs)

	2003	2002
	£	£
Emoluments	166,766	147,485
Company pension contributions to a defined contribution scheme	7,640	7,585
	<u>174,406</u>	<u>155,070</u>

	2003	2002
	No.	No.
Members of defined contribution pension schemes	<u>1</u>	<u>1</u>

5. Interest receivable

	2003	2002
	£	£
Bank deposits	<u>4,138</u>	<u>7,721</u>

Notes to the financial statements

at 31 December 2003

6. Tax on profit on ordinary activities

a) The tax charge is made up as follows:

	2003	2002
	£	£
Current tax:		
UK corporation tax	458,384	402,367
Tax under provided in previous years	1,835	187
	<u>460,219</u>	<u>402,554</u>
Deferred tax (note 13)	2,947	4,089
	<u>463,166</u>	<u>406,643</u>

b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower (2002 – lower) than the standard rate of corporation tax in the UK of 30% (2002 – 30%). The differences are reconciled below:

	2003	2002
	£	£
Profit on ordinary activities before tax	1,548,676	1,343,418
	<u> </u>	<u> </u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2002 – 30%)	464,603	403,025
Expenses not deductible for tax purposes	18,171	21,636
Accelerated capital allowances	(24,390)	(22,294)
Tax under provided in previous years	1,835	187
	<u>460,219</u>	<u>402,554</u>

7. Intangible fixed assets

Intellectual property (copyrights, trade marks and goodwill)

	£
Cost:	
At 1 January and 31 December 2003	10,000
	<u> </u>
Amortisation:	
At 1 January 2003	9,167
Provided during the year	833
	<u> </u>
At 31 December 2003	10,000
	<u> </u>
Net book value:	
At 31 December 2003	-
	<u> </u>
At 1 January 2003	833
	<u> </u>

Notes to the financial statements

at 31 December 2003

8. Tangible fixed assets

	<i>Freehold land and buildings £</i>	<i>Plant and machinery £</i>	<i>Fixtures, fittings and computers £</i>	<i>Total £</i>
Cost:				
At 1 January 2003	1,026,342	49,191	294,596	1,370,129
Additions	-	2,935	113,597	116,532
Disposals	-	-	(1,283)	(1,283)
At 31 December 2003	1,026,342	52,126	406,910	1,485,378
Depreciation:				
At 1 January 2003	78,969	22,056	248,609	349,634
Provided during the year	16,241	5,041	37,569	58,851
Disposals	-	-	(1,283)	(1,283)
At 31 December 2003	95,210	27,097	284,895	407,202
Net book value:				
At 31 December 2003	931,132	25,029	122,015	1,078,176
At 1 January 2003	947,373	27,135	45,987	1,020,495

9. Stocks

	2003	2002
	£	£
Goods for resale	421,046	391,423

10. Debtors

	2003	2002
	£	£
Trade debtors	1,402,271	1,181,066
Amounts due from group undertakings	3,540,897	-
Prepayments and accrued income	45,769	61,190
	4,988,937	1,242,256

Notes to the financial statements

at 31 December 2003

11. Creditors: amounts falling due within one year

	2003	2002
	£	£
Trade creditors	804,577	558,794
Amounts due to other group undertakings	3,028,007	54,734
Corporation tax	126,751	200,924
Other taxes and social security	142,905	118,222
Accruals and deferred income	109,447	76,315
	<u>4,211,687</u>	<u>1,008,989</u>

12. Creditors: amounts falling due after more than one year

	2003	2002
	£	£
Deferred income – government grants	<u>21,266</u>	<u>25,382</u>

13. Deferred taxation

	2003	2002
	£	£
At 1 January	14,586	10,497
Movement during the year	2,947	4,089
At 31 December	<u>17,533</u>	<u>14,586</u>
Deferred taxation provided in the accounts is as follows:		
Capital allowances in advance of depreciation	24,390	23,435
Other short term timing differences	(6,857)	(8,849)
	<u>17,533</u>	<u>14,586</u>

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

14. Share capital

	No.	2003 £	No.	2002 £
Authorised:				
Ordinary shares of £1 each	19,049,259	19,049,259	19,049,259	19,049,259
Issued, called up and fully paid:				
Ordinary shares of £1 each	749,262	749,262	749,262	749,262

Notes to the financial statements

at 31 December 2003

15. Reconciliation of shareholder's funds and movement on reserves

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total shareholder's funds £</i>
At 1 January 2002	749,262	8,661	757,923
Profit for the year	-	936,775	936,775
At 31 December 2002	749,262	945,436	1,694,698
Profit for the year	-	1,085,510	1,085,510
At 31 December 2003	749,262	2,030,946	2,780,208

16. Other financial commitments

At 31 December 2003 the company had annual commitments for motor vehicles under non-cancellable operating leases as set out below:

	<i>2003 £</i>	<i>2002 £</i>
Operating lease commitments which expire:		
Within one year	-	-
In two to five years	9,316	4,550
	9,316	4,550

17. Contingent liabilities

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

18. Pension schemes

The company administers and contributes to a group personal pension (defined contribution) plan on behalf of all qualifying employees. The total contributions of the company during the year were £35,019 (2002 - £36,516). There were no contributions remaining unpaid at 31 December 2003.

19. Related party transactions

The company has taken advantage of the exemption in FRS8 from disclosing transactions with other related parties which form part of the TripleArc Plc group of companies.

20. Ultimate and immediate parent undertaking

The company's immediate parent undertaking is Software Stationery Holdings Limited. 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 include Software Stationery Specialists Limited may be obtained from Access House, The Promenade, Clifton Down, Bristol, BS8 3AQ.

21. Approval of financial statements

The financial statements were approved by the board of directors on 28 October 2004.