



i-documentsystems group plc

FINANCIAL STATEMENTS

For the period ended
31 October 2000

Company no 3984070

i-documentsystems group plc
FINANCIAL STATEMENTS

For the period ended 31 October 2000

Company registration number: 3984070

Registered office: 21 New Fetter Lane
London
EC4A 1AJ

Directors: J M Wisbey (chairman)
A G Fraser
I R Peacock
T J E Bowen
C Wright

Secretary: T J E Bowen

Solicitors: Memery Crystal
31 Southampton Row
LONDON
WC1B 5HT

Auditors: Grant Thornton
Registered Auditors
Chartered Accountants
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

i-documentsystems
FINANCIAL STATEMENTS

For the period ended 31 October 2000

INDEX	PAGE
Report of the directors	1 – 2
Report of the auditors	3
Balance sheet	4
Notes to the financial statements	5 – 7

i-documentsystems
REPORT OF THE DIRECTORS

For the period ended 31 October 2000

The directors present their report together with the audited financial statements for the period ended 31 October 2000.

Incorporation, change of name and admission to the Alternative Investment Market

The company was incorporated on 26 April 2000 as i-documentsystems plc.

On 18 October 2000 the company changed its name to Chartbuild plc. On 15 November 2000 the company changed its name to i-documentsystems group plc.

On 19 December 2000 the company was admitted to the Alternative Investment Market.

Principal activity

The company did not trade during the period. There has been no income and expenditure and no change has arisen in the position of the company.

Directors

The membership of the Board is set out below. In accordance with the Articles of Association members will be asked to confirm the appointments of:

J M Wisbey
A G Fraser
I R Peacock
T J E Bowen
C Wright

The interests of the directors and their families in the shares of the company as at 31 October 2000 and 26 April 2000, or the date of their appointment to the board if later, were as follows:

		Ordinary shares	
		31.10.2000	26.04.2000
LCI Directors Limited	(resigned 13 November 2000)	1	1
LCI Secretaries Limited	(resigned 13 November 2000)	1	1
J M Wisbey	(appointed 13 November 2000)	0	0
A G Fraser	(appointed 13 November 2000)	0	0
I R Peacock	(appointed 13 November 2000)	0	0
T J E Bowen	(appointed 13 November 2000)	0	0
C Wright	(appointed 13 November 2000)	0	0

i-documentsystems
REPORT OF THE DIRECTORS

For the period ended 31 October 2000

Directors' responsibilities for the financial statements

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. 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

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Grant Thornton were appointed auditors to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985. Special notice pursuant to section 388(3) having been given, a resolution to reappoint Grant Thornton will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

Secretary



REPORT OF THE AUDITORS TO THE MEMBERS OF

i-documentsystems

We have audited the financial statements on pages 4 to 7, which have been prepared under the accounting policies set out on page 5.

Respective responsibilities of the directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination of evidence relevant to the amounts and disclosures in the financial statements.

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 October 2000 and have been properly prepared in accordance with the Companies Act 1985.

GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LONDON

Grant Thornton

30th May 2001

i-documentsystems
BALANCE SHEET

At 31 October 2000

	Note	2000 £
Current assets		
Debtors	2	<u>2</u>
		<u>2</u>
Capital and reserves		
Called up share capital	3	<u>2</u>
		<u>2</u>

The company was dormant (within the meaning of section 249AA of the Companies Act 1985) throughout the period ended 31 October 2000.

The financial statements were approved by the Board of Directors on 30th May 2001

Director

AGP
AGP

The accompanying accounting policies and notes form an integral part of these financial statements.

i-documentsystems
NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 October 2000

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

2 DEBTORS

	31 Oct 2000 £
Called up share capital not paid	<u>2</u>

3 SHARE CAPITAL

	31 Oct 2000 £
Authorised 50,000 ordinary shares of £1 each	<u>50,000</u>
Allotted and called up 2 ordinary shares of £1 each	<u>2</u>

For the period ended 31 October 2000

4

POST BALANCE SHEET EVENTS

Change of name

On 15 November 2000 the company changed its name from Chartbuild plc to i-documentsystems group plc.

Increase in authorised share capital

On 17 November 2000 the authorised share capital was increased from £50,000 to £3,970,000 by authorisation of a further:

750,000	ordinary shares of £1 each
400,000	£1 'A' preference shares
270,000	£1 'B' preference shares
3,000,000	50 pence 'C' preference shares
100,000,000	1 penny deferred shares

Share for share exchange

On 17 November 2000, via a share for share exchange, the Company acquired the entire share capital of i-documentsystems Limited in consideration for the issue and allotment to the shareholders of i-documentsystems Limited of:

791,851	£1 ordinary shares
400,000	£1 'A' preference shares
270,000	£1 'B' preference shares
1,300,000	50 pence 'C' preference shares

the shares acquired in i-documentsystems Limited were:

791,853	£1 ordinary shares
400,000	£1 'A' preference shares
270,000	£1 'B' preference shares
1,300,000	50 pence 'C' preference shares

Increase in authorised share capital and re-designation of preference shares

On 8 December 2000 the authorised share capital was increased to £4,000,000 by the authorisation of an additional 3,000,000 deferred shares of 1p each. On the same date all preference shares were re-designated as an aggregate of 2,170,000 £1 ordinary shares, and all ordinary £1 shares included the re-designated preference shares were sub-divided into 100 ordinary shares of 1p each.

Admission to the Alternative Investment Market

On 19 December 2000 the company was admitted to the Alternative Investment Market. 28,333,333 ordinary shares of 1p each were placed at 12p per share. Immediately after admission there were 128,317,234 ordinary shares of 1p each in issue

For the period ended 31 October 2000

post balance sheet events (continued)

Share options

Under the terms of the Inland Revenue unapproved Option Deed number one dated 13 November and Inland Revenue unapproved Option Deed number two dated 17 November 2000 Tim Bowen, a director of the company, has been granted the right to acquire 1,375,000 and 1,500,000 ordinary shares at a price of 5p and 12.75p respectively subject to the terms and conditions set out in the Deeds. The options are exercisable any time within five years of grant, and the second option is subject to the company achieving 50% annual compound growth in turnover for the first three years of the option.

On 19 December 2000 the Company adopted the i-documentsystems group plc Approved Share Option Scheme ("Scheme 2000") and an Enterprise Management Incentive ("EMI") scheme.

Options over an aggregate 4,166,667 Ordinary Shares (equivalent to 3.25% of the ordinary share capital of the Company on Admission to the Alternative Investment Market) were granted to employees (other than Tim Bowen) at a price of 12p pursuant to the Scheme 2000 and EMI scheme on 19 December 2000. A further 500,000 were issued to Tim Bowen under the EMI scheme at a price of 5p. These options are all exercisable at any date within three years of grant, and are subject to the company achieving 50% annual compound growth in turnover.

5

CONTROLLING RELATED PARTY

LCI Directors Limited and LCI Secretaries Limited were the company's controlling related parties by virtue of their 50% shareholdings at the balance sheet date.