

CONSOLIDATED INCOME STATEMENT
For the six months ended 30 September 2005

	Note	Unaudited 6 months to 30 September 2005 £'000	Unaudited 6 months to 30 September 2004 (restated) £'000	Unaudited Year to 31 March 2005 (restated) £'000
Revenue		5,939	5,232	11,231
Cost of sales		(2,640)	(2,194)	(4,678)
Gross profit		3,299	3,038	6,553
Other operating expenses		(3,638)	(3,193)	(6,366)
Exceptional items		-	-	(321)
Loss before tax and finance costs		(339)	(155)	(134)
Finance income		156	135	280
(Loss)/profit before tax		(183)	(20)	146
Income tax		-	58	109
(Loss)/profit for the period		(183)	38	255
(Loss)/earnings per share				
- basic for the period	5	(0.2)p	0.0p	0.3p
- diluted for the period	5	(0.2)p	0.0p	0.3p
Dividends				
- Dividend paid per share	6	0.5p	0.5p	0.5p
- Dividend paid	6	404	398	398

CONSOLIDATED BALANCE SHEET
As at 30 September 2005

Unaudited As At 30 September 2005	Unaudited As At 30 September 2004 (restated)	Unaudited As At 31 March 2005 (restated)
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	£ '000	£ '000	£ '000
ASSETS			
Non-current assets			
Property, plant and equipment	362	391	361
Goodwill	6,506	6,504	6,506
Deferred tax asset	346	340	346
	<hr/>	<hr/>	<hr/>
	7,214	7,235	7,213
	<hr/>	<hr/>	<hr/>
Current assets			
Inventories	1	3	-
Trade and other receivables	2,097	1,731	2,225
Cash and cash equivalents	6,434	6,283	6,749
	<hr/>	<hr/>	<hr/>
	8,532	8,017	8,974
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<hr/> 15,746	<hr/> 15,252	<hr/> 16,187
	<hr/>	<hr/>	<hr/>
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the parent			
Issued capital	2,030	1,990	2,001
Share premium	3,243	3,137	3,170
Merger reserve	6,575	6,575	6,575
Capital redemption reserve	3	3	3
Retained earnings	1,366	1,595	1,869
	<hr/>	<hr/>	<hr/>
Total equity	13,217	13,300	13,618
	<hr/>	<hr/>	<hr/>
Non-current liabilities			
Provisions	182	105	230
	<hr/>	<hr/>	<hr/>
Current liabilities			
Trade and other payables	2,347	1,846	2,339
Income tax payable	-	1	-
	<hr/>	<hr/>	<hr/>
	2,347	1,847	2,339
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<hr/> 2,529	<hr/> 1,952	<hr/> 2,569
	<hr/>	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	<hr/> 15,746	<hr/> 15,252	<hr/> 16,187
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CONSOLIDATED CASH FLOW STATEMENT
For the six months ended 30 September 2005

	Note	Unaudited 6 months to 30 September 2005 £'000	Unaudited 6 months to 30 September 2004 (restated) £'000	Unaudited Year to 31 March 2005 (restated) £'000
Cash flows from operating activities				
Cash (consumed)/generated from operations	7	(68)	(220)	94
Income tax received		-	-	58
Net cash (consumed)/generated from operating activities		(68)	(220)	152
Cash flows from investing activities				
Acquisitions of a subsidiary, net of cash acquired		-	-	(20)
Purchase of property, plant and equipment		(101)	(98)	(173)
Interest received		156	135	280
Net cash from investing activities		55	37	87
Cash flows from financing activities				
Proceeds from issue of shares		102	5	49
Dividends paid to Company shareholders		(404)	(398)	(398)
Net cash flows used in financing activities		(302)	(393)	(349)
Net decrease in cash and cash equivalents		(315)	(576)	(110)
Cash and cash equivalents at beginning of period		6,749	6,859	6,859
Cash and cash equivalents at end of period		6,434	6,283	6,749

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 September 2005

Total	Issued	Share	Merger	Capital	Retained
Equity	Capital	Premium	Reserve	Redemption	Earnings
£'000	£'000	£'000	£'000	Reserve £'000	£'000
Balance at 1 April 2004 (UK GAAP) 13,270	1,989	3,133	6,575	3	1,570
Effect of adopting IFRS 2 (66)	-	-	-	-	(66)
Cost of share-based payments 66	-	-	-	-	66
Reversal of proposed ordinary dividend 398	-	-	-	-	398
Recognition of employee short-term benefits (62)	-	-	-	-	(62)
Balance at 1 April 2004 (restated) 13,606	1,989	3,133	6,575	3	1,906
Profit for the period 38	-	-	-	-	38
Issue of shares 5	1	4	-	-	-
Cost of share-based payments 49	-	-	-	-	49
Equity dividend (398)	-	-	-	-	(398)
Balance at 30 September 2004 (restated) 13,300	1,990	3,137	6,575	3	1,595
Profit for the period 217	-	-	-	-	217
Issue of shares	11	33	-	-	-

Cost of share-based payments 57	-	-	-	-	57
Balance at 31 March 2005 (restated) 13,618	2,001	3,170	6,575	3	1,869
Loss for the period (183)	-	-	-	-	(183)
Issue of shares 102	29	73	-	-	-
Cost of share-based payments 84	-	-	-	-	84
Equity dividend (404)	-	-	-	-	(404)
Balance at 30 September 2005 13,217	2,030	3,243	6,575	3	1,366