

i-documentssysteme group plc

Interim Report & Accounts

Half Year Ended 30 April 2004

Company Information

i-documentsystems group plc (IDOX) is a fast-growing information and knowledge management company, specialising in the development and delivery of software products, services and people for information management and knowledge sharing for both the public and private sectors.

The Group's products and services are ideally suited to deliver on the modernising government initiatives, under which the Government has set targets to improve the delivery of services by 2005. Improved processes and procedures, often driven by legislation, are equally important in the private sector where the Group has a growing track record.

IDOX believe the market is fragmented in its delivery of knowledge and information management services. Bringing together the skills of information scientists, software developers and knowledge management consultants, is invaluable in meeting current and future market demands.

The Group has been awarded an S-CAT Framework Agreement, and is also a G-CAT sub-contractor - the two main catalogue purchasing agreements for government.

IDOX offers its clients a complete methodology for managing information internally and from external sources, to ensure they maximise their knowledge sharing opportunities.

The Group's **Advisory** service helps clients devise creative and innovative solutions to problems with information and knowledge management. The team take a practical approach to these problems and are well qualified to undertake Information Audits and effect strategic change. This team is also supplemented with Technical Consultancy, where appropriate.

Where skills development is required within an organisation, IDOX can deliver training in a variety of formats to leaders and teams using its network of leading industry practitioners. If there is a gap identified with regard to skills and learning, the **Recruitment** teams place candidates of all levels into permanent, temporary, contract, interim management and executive positions.

IDOX Software is an enterprise-wide information management suite. Continuously developed over a period of 10 years, this product is one of the biggest sellers in local government for managing paper and electronic records. IDOX Software has several modules designed to capture, manage, store, preserve and deliver information for use both within an organisation, and for access externally - by the public or other partners.

External sources of information are critical for managers and staff to keep abreast of the latest thinking and best practice in their chosen discipline. The **IDOX Information Service** has been built up over 25 years and is believed to be the most comprehensive information service on public sector matters in the UK, including economic development, education, housing, planning, transport and social services. Around 500 journals and 100 other sources of material are sifted on a daily basis, both in hard copy and electronically, with the most useful and relevant material being identified for extraction. The key information is then abstracted and recorded in a database for access by members. Uniquely, access to this service electronically is bundled with the software to complement and add capacity to in-house research and information gathering.

A unique example of the benefits that can be gained from bringing information and software together is the **UKPlanning Managed Service**. This is the UK's first interactive planning service; integrating information with software to facilitate the processing of both paper and online planning applications. The aim is to meet the many different information needs of citizens, the broader community and all those participating in the planning process. A citizen can submit and pay for an application online, comment on or track the progress of a neighbour's application or ask detailed questions about the planning process. This service reduces the administrative burden on the Council through the provision of a managed service that is specifically designed to save time and money, and improve the planning process.

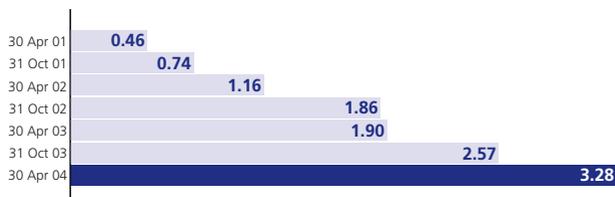
Given the breadth of expertise, information and ideas within IDOX, the group will continue to develop its proposition for delivering joined-up projects and services.

Highlights

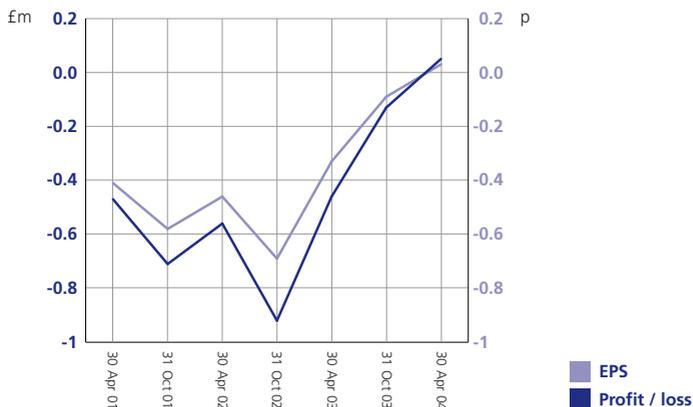
For the six months ended 30 April 2004

- Turnover increased by 72% to £3.28 million (2003: £1.90 million)
- Cash of £2.41 million at 30 April 2004 (2003: £2.15 million)
- Recurring annualised revenue £2.40 million (2003: £1.51 million)
- Gross margin of 85% (2003: 87%)
- Loss before tax of £0.19 million (2003: loss of £0.46 million)
- Profit after tax* of £0.05 million (2003: loss of £0.46 million)
*(Including R & D tax credit)
- Successful integration of acquisitions, new client wins and broadening of services within existing client base

Turnover (£m) per 6 month period



Post tax profit / loss (£m) and EPS (p) per 6 month period



Chairman's Statement

For the six months ended 30 April 2004

I am pleased to announce the results for the six months ended 30 April 2004. The results, which were in line with expectations, clearly demonstrate that our strategy of combining software with content is proving to be successful. The Group benefited from its growing client portfolio and expanded its services among existing clients. Our performance further underlines our belief that the Group's offering is unparalleled in the sector and would be exceedingly difficult to replicate. IDOX is now positioned as one of the leading providers of information management solutions in the UK public sector.

In line with expectations, the Group's revenues for the six months have increased by 72% to £3.28 million (2003: £1.90 million). The Group incurred a pre-tax loss of £0.19 million (2003: £0.46 million) and recorded an after tax profit of £0.05 million. Cash reserves stood at £2.41 million compared with £2.15 million at 30 April 2003.

The Group has continued to augment its recurring revenue through the increased provision of its core services: software maintenance, long-term managed service contracts and information subscriptions. Some £2.40 million of annualised recurring revenues were achieved by the end of the period compared with £1.51 million at the end of April 2003. This steady income flow underpins our growth strategy and will help to improve the overall quality of our earnings.

In line with our stated policy, earnings for the foreseeable future will be re-invested to finance the growth of the business. The Directors, therefore, do not recommend the payment of a dividend.

In March 2004 shareholders agreed to change the Group's name to IDOX plc. This change will be effected in September 2004.

Since the end of the period under review, IDOX has acquired TFPL Ltd (TFPL), a leading knowledge and information management services firm. Details of the transaction were announced on 10 May 2004. The rationale for this acquisition is the continued enhancement of our customer offering. The acquisition further strengthens our information and knowledge management capability. In addition to our core services, TFPL now enables IDOX to provide clients with expert consultancy, project management and implementation together with training resources and recruitment services for specialist personnel. Initial signs indicate that TFPL's services have been very well received by our clients.

The Board remains committed to enhancing shareholder value through the achievement of ongoing profitability and a strategy of increasing market share, both organically and by acquisition. The pipeline and order book continues to grow. Encouraged by our current progress, we believe that IDOX is on course for its stated aim of moving into sustained profitability by the end of October 2004, with annualised revenues for the second half of the year in excess of £10 million for the first time.

In May 2004, I informed the Board of my decision to step down as Non Executive Chairman of the Group as soon as a suitable successor could be identified. The process of recruiting a successor is now under way. I have found my time as Chairman of IDOX to be both tremendously exciting and very gratifying. It has been a particular pleasure to have been involved in building a company that is now widely perceived as a leader in its chosen field with a promising future. IDOX's continued growth means that the Chairman's position requires a greater time commitment than I can offer at this time.

Finally, I would like to extend my gratitude to our employees, customers, suppliers and shareholders whose respective commitment and dedication to IDOX represent an integral part of our continued success.

John Wisbey
Chairman

9 July 2004

Chief Executive's Report

For the six months ended 30 April 2004

Financial Review

The Group's revenues increased from £1.90 million to £3.28 million, a 72% gain, for the six months ended 30 April 2004. The recorded profit after tax was £0.05 million taking into account a research & development tax credit of £0.24 million which was received during the period. This equates to earnings per share of 0.03 pence (2003: loss per share of 0.33 pence). The Group reduced its pre-tax loss from £0.46 million in April 2003 to £0.19 million. The gross margin for the period was 85% (2003: 87%). Net cash at 30 April 2004 amounted to £2.41 million (2003: £2.15 million).

We are pleased to report that the Group traded profitably for 3 months of the 6 month period under review.

IDOX has evolved and enhanced its product offering from that of a pure software provider to a group that possesses a strong expertise in combining software with content. With a focus on recurring income, IDOX greatly increased its annualised recurring revenue from £1.51 million at the end of April 2003 to £2.40 million at 30 April 2004. While in the first year of a managed service contract IDOX receives less revenue than it would for an outright sale of software, the Group believes that the creation of strong recurring revenue streams will give the Group a higher quality of earnings and greater visibility in the future.

IDOX Product and Service Offerings

The Group's business base comprises three key areas: software, information and managed services. All three divisions within the Group have made considerable progress during the period. IDOX is now successfully positioned not only as an important provider of information and software to Local Government but increasingly as an information management company providing professional expertise in the handling of information. This unique blend of software and content has earned the Group recognition as a major player within Local Government agencies and departments.

IDOX continues to make good progress in winning contracts in departments outside its original expertise of Planning, such as Education, Social Services and Chief Executive's departments. As providers of corporate solutions within Local Authorities, the Group is exploring a range of opportunities mainly with National and Regional Government where links to Local Government are required.

IDOX continued to increase its market share with 14 new Local Authority software clients contracted since October 2003. The Group's software offering continues to be rolled out across the new departments of existing Local Authority customers as well as being integrated amongst the IT infrastructure of new Councils. The cumulative result of having IDOX solutions installed in multiple departments within a Local Authority is that IDOX is now being awarded larger "corporate solution" type tenders.

The Group also continued to cross sell Mandoforms, the online forms specialist acquired by IDOX in August 2003, while also winning new departments within the existing Local Authority client base. This year Mandoforms has taken steps to expand into the mobile electronic forms market. Two implementations, one at Teignbridge District Council and one at Leicestershire County Council, have seen the installation of benefits and social services forms on laptops, enabling officers to record information in citizens' homes.

Our principal managed service offering, UKPlanning, continues to attract considerable interest. This area of business is progressing well with 18 Councils now signed up. Prospects for UKPlanning remain positive as the benefits and cost savings of the service become evident to customers.

Chief Executive's Report (continued)

For the six months ended 30 April 2004

IDOX's information service is increasingly being used by departments and organisations as their in-house library. The Group believes it is only a small step from this service offering to providing a managed service for all information management requirements, including internally generated information. IDOX is already consulting with existing and potential clients that require information to be managed across several offices. IDOX has experience of outsourcing through its UKPlanning ASP model which effectively relieves a Council of much of the administrative burden in processing planning applications.

Market Place and Market Dynamics

The market for Local Authority software solutions continues to grow. The Office of the Deputy Prime Minister (ODPM) has committed additional expenditure to support e-Government over the next two years, which should see budgets overall higher than in any of the previous two years. The Freedom of Information Act, which becomes effective in January 2005, will put further pressure on Councils to be able to deliver information efficiently; the cost of old and inefficient systems will increase dramatically with increased throughput. At the same time, the e-Government deadline of 2005 remains and Councils now know they must commit their budgets soon to be able to meet it.

While the number of firms attempting to enter the Local Authority marketplace has increased of late, the only real impact on the Group has been that Councils have taken longer to evaluate tenders as a result of an increase in volume of responses. Substantial barriers to entry remain in this marketplace primarily due to the necessity of having suitable reference sites.

In addition, the Government is encouraging Local Authorities to not merely add technology to their existing processes, but to completely re-evaluate those processes in order to fully support e-services. It is clear that Local Authorities are struggling to understand how to manage and use the wealth of information around them. IDOX aims to take a more comprehensive approach than its competitors by providing the information, the tools to handle the information and the expertise to implement and manage the process. Consequently the Group continues to believe that it is well-placed to gain significant additional contracts from the remainder of the UK Local Authorities, as well as additional business from existing Local Authority customers.

Product and Service Development

The Group has integrated its software and content and is now carrying out an increasing amount of project business creating and maintaining the information and the web presentation for customers such as RegenWM, the Centre of Excellence in Regeneration for the West Midlands; Futureskills Scotland, on behalf of Scottish Enterprise and Highlands and Islands Enterprise; and the ODPM Neighbourhood Renewal Unit's renewal.net. The Group believes the combined offering of software and content is unique to IDOX and positions us well for future projects.

The demand for electronic forms continues to increase. IDOX has developed a substantially more sophisticated solution with the ability to validate converted CAD (computer aided design) files visually, when forms are submitted online. This is a real-time conversion allowing an applicant to view the submitted drawing in CAD form and see the conversion in a non-proprietary format. The number of electronic forms developed for Councils has increased significantly.

The development of the new Records Management module is expected to gain National Archives accreditation later in 2004. This product is required to enable IDOX Software to meet the Public Records Office 2002 specification which is fast becoming a pre-requisite to conforming to the requirements of the Freedom of Information Act and other legislation with which our customers must comply.

Chief Executive's Report (continued)

For the six months ended 30 April 2004

People

Employees totalled 93 at 30 April 2004, compared with 94 at 31 October 2003 and 78 at 30 April 2003. The Group now possesses a team and infrastructure capable of delivering and managing rapid business growth. The anticipated higher revenue flows can be accommodated within a stable cost base.

Recent Developments

Since the end of the period under review IDOX has acquired TFPL, a leading knowledge and information management consulting firm. TFPL is an established information services company, headquartered in London, specialising in consultancy, recruitment, training and research services. Since 1987, TFPL has focused its resources on delivering information, knowledge, records and content management expertise and solutions to clients across the financial and professional services market as well as the public sector.

The acquisition of TFPL will enable IDOX to provide clients with expert consultancy, project teams, training and recruitment services in addition to the Group's information management software and services offering. The transaction is further expected to provide the enlarged Group with considerable cross-selling opportunities.

One of the recent information projects that IDOX has won is a contract in partnership with TFPL to assist the ODPM and English Partnerships in establishing a high level learning network of around 80 Chief Executives in the public and private sectors who are involved in implementing the Sustainable Communities Plan.

Funding for the transaction was arranged via a placing of 23,000,000 new ordinary shares raising £2.30 million before issue expenses, at a price of 10p per share.

Strategy and Outlook

The Group will continue to seek to increase its market share, revenue and profitability, through organic growth and appropriate acquisitions. The Board's goal is to build on this progress thereby ensuring profitability for 2004. While it remains difficult to predict the timing of contract signings, the pipeline is strong and a number of new contracts have already been secured since the end of the period. The Group's recurring revenue streams from maintenance, information services and UKPlanning form a secure foundation for our business and we remain conservatively optimistic about future growth plans.

Andrew Fraser
Chief Executive

9 July 2004

The Interim Report was approved by the Board of Directors on 9 July 2004

Consolidated Profit and Loss Account

For the six months ended 30 April 2004

	Note	6 months to 30 April 2004 (unaudited) £	6 months to 30 April 2003 (unaudited) £	12 months to 31 October 2003 (audited) £
Turnover		3,283,879	1,903,078	4,472,305
External charges		<u>(504,747)</u>	<u>(245,344)</u>	<u>(611,361)</u>
		2,779,132	1,657,734	3,860,944
Staff costs		<u>(2,068,182)</u>	<u>(1,554,171)</u>	<u>(3,224,149)</u>
Other operating charges		<u>(936,821)</u>	<u>(599,813)</u>	<u>(1,305,717)</u>
Operating loss		<u>(225,871)</u>	<u>(496,250)</u>	<u>(668,922)</u>
Net interest		<u>33,551</u>	<u>37,068</u>	<u>73,862</u>
Loss on ordinary activities before taxation		<u>(192,320)</u>	<u>(459,182)</u>	<u>(595,060)</u>
Tax on loss on ordinary activities	(2)	<u>243,613</u>	<u>-</u>	<u>-</u>
Profit / (loss) for the period transferred to / (from) reserves		<u>51,293</u>	<u>(459,182)</u>	<u>(595,060)</u>
Earnings / (loss) per share				
Basic and diluted	(3)	0.03p	(0.33)p	(0.42)p

Consolidated Balance Sheet

At 30 April 2004

	At 30 April 2004 (unaudited) £	At 30 April 2003 (unaudited) £	At 31 October 2003 (audited) £
Fixed assets			
Intangible fixed assets	1,590,491	660,606	1,703,513
Tangible assets	278,884	285,818	255,561
Investments	79,491	28,344	28,344
	<u>1,948,866</u>	<u>974,768</u>	<u>1,987,418</u>
Current assets			
Debtors	2,171,852	1,427,078	1,530,906
Cash at bank and in hand	2,414,244	2,148,311	2,646,695
	<u>4,586,096</u>	<u>3,575,389</u>	<u>4,177,601</u>
Creditors: amounts falling due within one year	<u>(3,159,026)</u>	<u>(2,268,936)</u>	<u>(2,840,376)</u>
Net current assets	1,427,070	1,306,453	1,337,225
Total assets less current liabilities	3,375,936	2,281,221	3,324,643
Creditors: amounts falling due after more than one year	<u>(30,000)</u>	<u>(40,000)</u>	<u>(30,000)</u>
Net assets	<u>3,345,936</u>	<u>2,241,221</u>	<u>3,294,643</u>
Capital and reserves			
Called up share capital	1,536,789	1,408,039	1,536,789
Share premium account	5,159,088	4,098,538	5,159,088
Capital redemption reserve	1,112,014	-	1,112,014
Other reserves	1,294,745	2,406,759	1,294,745
Profit and loss account	<u>(5,756,700)</u>	<u>(5,672,115)</u>	<u>(5,807,993)</u>
Shareholders' funds	<u>3,345,936</u>	<u>2,241,221</u>	<u>3,294,643</u>

Consolidated Cash Flow Statement

For the six months ended 30 April 2004

	Note	6 months to 30 April 2004 (unaudited) £	6 months to 30 April 2003 (unaudited) £	12 months to 31 October 2003 (audited) £
Net cash outflow from operating activities	(4)	(184,448)	(295,756)	(624,388)
Returns on investments and servicing of finance				
Interest received		35,270	36,031	71,825
Net cash inflow from returns on investments and servicing of finance		35,270	36,031	71,825
Taxation		243,613	-	-
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(148,626)	(129,716)	(210,810)
Sale of tangible fixed assets		-	-	3,026
Purchase of investment		(51,147)	-	-
Net cash outflow from capital expenditure and financial investment		(199,773)	(129,716)	(207,784)
Acquisitions				
Purchase of trade and assets		-	-	(89,591)
Net cash balances acquired with trade and assets		-	-	(230,419)
Deferred consideration paid for previous acquisition		(127,113)	-	-
Net cash outflow from acquisitions		(127,113)	-	(320,010)
Financing				
Issue of shares		-	-	1,189,300
Net cash inflow from financing		-	-	1,189,300
(Decrease) / increase in cash		(232,451)	(389,441)	108,943

Notes on the Interim Report

For the six months ended 30 April 2004

1 BASIS OF PREPARATION

The interim financial information has been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention. The principal accounting policies of the Group are set out in the Group's 2003 annual report and financial statements. The policies remain as stated in the annual report for the year ended 31 October 2003. The financial information set out in this report does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. The figures for the year ended 31 October 2003 have been extracted from the statutory accounts, which have been filed with the Registrar of Companies. The auditors' report on those financial statements was unqualified and did not contain a statement under section 237(2) of the Companies Act 1985. The interim financial statements have been reviewed by the Company's auditors. A copy of the auditors' review report is attached to the Interim Report.

2 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax credit represents:

	6 months to 30 April 2004 (unaudited) £	6 months to 30 April 2003 (unaudited) £	12 months to 31 October 2003 (audited) £
Research and development tax credits	<u>243,613</u>	<u>-</u>	<u>-</u>

3 EARNINGS / (LOSS) PER SHARE

The earnings / (loss) per share is calculated by reference to the earnings / (loss) attributable to ordinary shareholders divided by the weighted average number of shares in issue during each period, as follows:

	6 months to 30 April 2004 (unaudited) £	6 months to 30 April 2003 (unaudited) £	12 months to 31 October 2003 (audited) £
Profit / (loss) for the period	51,293	(459,182)	(595,060)
Weighted average number of shares in issue	153,324,507	140,470,273	142,805,965
Basic and diluted earnings / (loss) per share	0.03p	(0.33)p	(0.42)p

The share options are anti dilutive under FRS 14.

Notes on the Interim Report

For the six months ended 30 April 2004

4 NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	6 months to 30 April 2004 (unaudited) £	6 months to 30 April 2003 (unaudited) £	12 months to 31 October 2003 (audited) £
Operating loss	(225,871)	(496,250)	(668,922)
Depreciation	124,290	103,625	216,644
Goodwill amortisation	89,335	36,300	81,669
Loss / (profit) on sale of fixed assets	1,013	-	(834)
Increase in debtors	(642,665)	(258,814)	(217,592)
Increase / (decrease) creditors	469,450	319,383	(35,353)
Net cash outflow from operating activities	<u>(184,448)</u>	<u>(295,756)</u>	<u>(624,388)</u>

5 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	6 months to 30 April 2004 (unaudited) £	6 months to 30 April 2003 (unaudited) £	12 months to 31 October 2003 (audited) £
(Decrease) / increase in cash in the period, being movement in net funds in the period	(232,451)	(389,441)	108,943
Net funds at 1 November 2003	<u>2,646,695</u>	<u>2,537,752</u>	<u>2,537,752</u>
Net funds at 30 April 2004	<u>2,414,244</u>	<u>2,148,311</u>	<u>2,646,695</u>

6 POST BALANCE SHEET EVENTS

On 10 May 2004, i-documentsystems group plc announced the acquisition of the entire share capital of TFPL Limited for a maximum consideration of £4 million. TFPL is an established information services company, headquartered in London, specialising in consultancy, recruitment, training and research services. Since 1987, TFPL has focused its resources on delivering information, knowledge, records and content management expertise and solutions to clients across the financial and professional services market as well as the public sector. The initial consideration was approximately £2 million (in cash and shares). The remainder is payable in shares contingent on gross profit targets being met during the period to October 2006.

On 12 May 2004, the Group placed a total of 23,000,000 new ordinary 1 penny shares (New Ordinary Shares) with new and existing institutional investors, at a price of 10 pence per share. The Placing raised £2.30 million before expenses. The proceeds were used towards the acquisition of TFPL Limited as well as to augment the Group's existing working capital. The New Ordinary Shares rank pari passu with the existing ordinary shares of the Group and represent 12.63 per cent of the enlarged issued share

Notes on the Interim Report

For the six months ended 30 April 2004

capital of the Group. Dealings in the New Ordinary Shares commenced on Wednesday 12 May 2004. An unaudited pro-forma balance sheet which illustrates the effect the acquisition and placing would have had if they had occurred on 30 April 2004 is shown below:

TFPL Acquisition and Placing	Balance Sheet at 30 April 2004 (unaudited) £	Acquisition and Placing (unaudited) £	IDOX incl. TFPL and Placing Balance Sheet (unaudited) £
Fixed assets			
Intangible fixed assets	1,590,491	3,975,373	5,565,864
Tangible assets	278,884	20,620	299,504
Investments	79,491	-	79,491
	<u>1,948,866</u>	<u>3,995,993</u>	<u>5,944,859</u>
Current assets			
Debtors	2,171,852	1,000,033	3,171,885
Cash at bank and in hand	2,414,244	915,133	3,329,377
	<u>4,586,096</u>	<u>1,915,166</u>	<u>6,501,262</u>
Creditors: amounts falling due within one year	<u>(3,159,026)</u>	<u>(1,171,532)</u>	<u>(4,330,558)</u>
Net current assets	1,427,070	743,634	2,170,704
Total assets less current liabilities	3,375,936	4,739,627	8,115,563
Creditors: amounts falling due after more than one year	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Net assets	<u>3,345,936</u>	<u>4,739,627</u>	<u>8,085,563</u>
Capital and reserves			
Called up share capital	1,536,789	283,694	1,820,483
Share premium account	5,159,088	2,455,933	7,615,021
Shares to be issued	-	2,000,000	2,000,000
Capital redemption reserve	1,112,014	-	1,112,014
Other reserves	1,294,745	-	1,294,745
Profit and loss account	(5,756,700)	-	(5,756,700)
Shareholders' funds	<u>3,345,936</u>	<u>4,739,627</u>	<u>8,085,563</u>

Introduction

We have been instructed by the company to review the financial information for the six months ended 30 April 2004 which comprises the consolidated profit and loss account, consolidated balance sheet, consolidated cash flow statement and the related notes 1 to 6. We have read the other information contained in the interim report which comprises only the Chairman's statement and Chief Executive's report and considered whether they contain any apparent misstatements or material inconsistencies with the financial information. Our responsibilities do not extend to any other information.

This report is made solely to the company, in accordance with guidance contained in APB Bulletin 1999/4 "Review of Interim Financial Information". Our review work has been undertaken so that we might state to the company those matters we are required to state to it in a review 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, for our review work, for this report, or for the conclusion we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority, which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 "Review of Interim Financial Information" issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom auditing standards and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 April 2004.

GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
London, 9 July 2004

Notes:

- 1 The maintenance and integrity of the i-documentssystemsgroup plc website is the responsibility of the directors: the interim review does not involve consideration of these matters and, accordingly, the company's reporting accountants accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.
- 2 Legislation in the United Kingdom governing the preparation and dissemination of the interim report differ from legislation in other jurisdictions.

Shareholder Information

Company registration number:	3984070
Secretary and registered office:	D J McNicol 10th Floor 21 New Fetter Lane London EC4A 1AJ
Nominated Advisor and Broker:	Noble & Company Limited 120 Old Broad Street London EC2N 1AR
Auditors:	Grant Thornton Grant Thornton House Melton Street Euston Square London NW1 2EP
Corporate Solicitors:	Memery Crystal 44 Southampton Buildings London WC2A 1AP
Registrars:	Park Circus Registrars James Sellars House 2nd Floor, 144 West George Street Glasgow G2 2HG
Public Relations:	CardewChancery 12 Suffolk Street London SW1Y 4HG
Financial calendar	
Announcement of results for 2004:	December 2004
Annual General Meeting:	February 2005

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