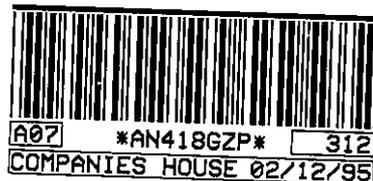


INTERLINK EXPRESS PLC

Report and Financial Statements

4th JULY 1994 to 2nd JULY 1995

Registered Number 1978237



DIRECTORS' REPORT ON THE ACCOUNTS FOR THE FINANCIAL PERIOD4th JULY 1994 to 2nd JULY 1995

Directors:	P L Kearns (Chairman)	(resigned 08.12.1994)
	R A M W Bugden	(resigned 30.09.1994)
	A P Gent	
	L A Bytheway (Australia)	(resigned 18.01.1995)
	K E Carr	
	P A Cheeseman (Australia)	(resigned 18.01.1995)
	J R Cole	(appointed 25.07.1994)

1. The Directors present herewith their report and the audited accounts for the financial period 4th July 1994 to 2nd July 1995.

2. PRINCIPAL ACTIVITIES

Interlink Express PLC is the holding company for its operating subsidiary undertakings in the UK and Republic of Ireland.

3. BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The company is continuing to operate as the holding company for its operating subsidiary undertakings in the UK and continental Europe.

4. DIVIDENDS

The directors do not recommend the payment of a dividend. (1994: £1,532,750).

5. RESERVES

The retained loss of £105,033 (1994: £10,897) has been transferred to reserves.

6. DIRECTORS

The Directors of the company at 2nd July 1995 are set out above.

Directors' and Officers' liability insurance cover is maintained by the ultimate parent company.

DIRECTORS' REPORT ON THE ACCOUNTS FOR THE FINANCIAL PERIOD4th JULY 1994 to 2nd JULY 1995 - continued

7. DIRECTORS' INTERESTS

According to the register required to be kept under Section 325 of the Companies Act 1985, none of the Directors at 2nd July 1995 held any interest in the shares of group companies at any time during the financial period ended 2nd July 1995. As permitted by statutory instrument, the register does not include shareholdings of Directors in any body corporate incorporated outside Great Britain.

No Director had any interest in any contract or proposed contract with the company or with any of its subsidiary undertakings.

8. EMPLOYEES

The group gives due consideration to applications for employment by disabled persons and encourages the career development of such persons as it is able to employ. In the event of employees becoming disabled whilst in the service of the group, every effort is made to continue their employment by transfer to alternative duties, if required, and by the provision of such re-training as is appropriate.

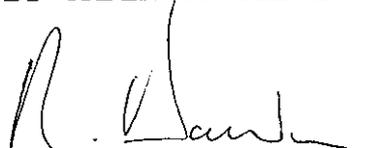
It is the group's policy to endeavour to maintain close links with the whole of the work force. The group undertakings communicate with their employees in a number of ways including notice boards, newsletters and other channels.

9. AUDITORS

On 6th February 1995 our auditors changed the name under which they practice to KPMG and, accordingly, have signed their report in their new name.

In accordance with Section 384 of the Companies Act 1985, a resolution proposing the re-appointment of KPMG as auditors of the company at a fee to be fixed by the Directors will be put to the members of the Annual General Meeting.

BY ORDER OF THE BOARD



R Dawson
Secretary

27th October 1995

STATEMENT OF DIRECTORS' RESPONSIBILITIES

4th JULY 1994 to 2nd JULY 1995

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 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 a going concern basis unless it is inappropriate to presume that the company 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 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 reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Auditors' report to the members of Interlink Express PLC.

We have audited the financial statements on pages 5 to 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. 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 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 the company's affairs as at 2nd July 1995 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG
Chartered Accountants
Registered Auditors

St Nicholas House
31 Park Row
Nottingham
NG1 6FQ

27th October 1995.

PROFIT AND LOSS ACCOUNTFOR THE PERIOD 4th JULY 1994 TO 2nd JULY 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		<u>£</u>	<u>£</u>
OTHER OPERATING CHARGES			
Discontinued operations		(115,930)	(10,897)
Continuing operations		10,897	-
		<u>(105,033)</u>	<u>(10,897)</u>
OPERATING LOSS			
INCOME FROM SHARES IN GROUP UNDERTAKINGS		-	1,532,750
		<u>(105,033)</u>	<u>1,521,853</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			
DIVIDENDS PAID AND PROPOSED	2	-	(1,532,750)
		-----	-----
LOSS FOR THE PERIOD		(105,033)	(10,897)
		=====	=====

There were no recognised gains or losses in either the current or preceding years other than those disclosed in the profit and loss account.

STATEMENT OF RETAINED LOSSES

Accumulated losses at 4th July 1994	(10,897)	-
Loss for the period	(105,033)	(10,897)
	-----	-----
Accumulated losses at 2nd July 1995	(115,930)	(10,897)
	=====	=====

HISTORICAL COST PROFITS

In both the current and preceding years there was no material difference between the profit reported in the profit and loss account and the profit on an unmodified historical cost basis.

The notes on pages 7 to 9 form part of these accounts

BALANCE SHEET

2nd JULY 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Investments	4	1,252,145	1,252,145
CURRENT ASSETS			
Debtors	5	1,922,153	2,027,186
TOTAL ASSETS		----- 3,174,298 =====	----- 3,279,331 =====
CAPITAL AND RESERVES			
Called up share capital	6	812,500	812,500
Share premium account		1,975,583	1,975,583
Revaluation reserve		502,145	502,145
Profit and loss account		(115,930)	(10,897)
EQUITY SHAREHOLDERS' FUNDS	3	----- 3,174,298 =====	----- 3,279,331 =====

These accounts were approved by the Board of directors on 27th October 1995 and were signed on its behalf by:

.....
A P Gent)
.....
.....
K E Carr)

DIRECTORS

The notes on pages 7 to 9 form part of these accounts

NOTES TO THE ACCOUNTS2nd JULY 1995

1. NOTES ON THE ACCOUNTS AND ACCOUNTING POLICIES

A summary of the more important accounting policies is set out below:-

(a) Accounting Convention

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain properties, and in accordance with applicable accounting standards which were in operation during the period.

(b) Fixed Asset Investments

Shares in group undertakings are stated at cost less amounts written off where there has been a permanent diminution in value.

(c) Cash Flow Statement

Under FRS1 the company is exempt from the requirement to prepare a cash flow statement as it is a wholly owned subsidiary undertaking.

2. DIVIDENDS

	<u>1995</u> £	<u>1994</u> £
Interim	-	1,532,750

3. STATEMENT OF RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	<u>1995</u> £	<u>1994</u> £
(Loss) for the financial year	(105,033)	(10,897)
Net reduction to equity shareholders' funds	(105,033)	(10,897)
Opening equity shareholders' funds	3,279,331	3,290,228
Closing equity shareholders' funds	<u>3,174,298</u>	<u>3,279,331</u>

NOTES TO THE ACCOUNTS2nd JULY 1995 - continued

	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
4. INVESTMENTS		
Shares in group undertakings	1,252,145 =====	1,252,145 =====

This represents the value of the whole of the issued share capital of Interlink Express Parcels Limited, a company incorporated in Great Britain. Interlink Express Parcels Limited owns the whole of the issued share capital of Interlink Ireland Limited, a company incorporated in the Republic of Ireland.

As permitted by Section 228 of the Companies Act 1985 group accounts have not been prepared because the company is itself a wholly owned undertaking and the results reflect the trading of the individual company only.

5. DEBTORS: Amounts falling due within one year

	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
Amounts due from group undertakings	1,922,153 =====	2,027,186 =====

6. SHARE CAPITAL

	<u>1995 and 1994</u> <u>£</u>
Authorised 20,000,000 ordinary shares of 5p each	1,000,000 =====
Allotted and fully paid 16,250,000 ordinary shares of 5p each	812,500 =====

NOTES TO THE ACCOUNTS

2nd JULY 1995 - continued

7. ULTIMATE HOLDING COMPANY

The ultimate holding company is Mayne Nickless Limited, a company incorporated in Australia.

The United Kingdom businesses of Mayne Nickless Limited are wholly owned by Mayne Nickless (UK) Limited, which is in turn a wholly owned subsidiary undertaking of Mayne Nickless Europe plc. Both companies are registered in England and Wales.

Copies of the accounts of Mayne Nickless Limited, Mayne Nickless Europe plc and Mayne Nickless (UK) Limited can be obtained from the registered office of Mayne Nickless Europe plc, at 1-2 Brook Business Centre, Cowley Mill Road, Uxbridge, Middlesex UB8 2FX.