

BUSINESS POST EUROPE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2004

Company Registration No. 2072001



BUSINESS POST EUROPE LIMITED

DIRECTORS AND ADVISERS

DIRECTORS

P D Carvell
P D C Fitzwilliam
M Kane
P Kane

SECRETARY

P D C Fitzwilliam

REGISTERED OFFICE

Express House
464 Berkshire Avenue
Slough
Berkshire
SL1 4PL

BANKERS

Lloyds TSB
125 Colmore Row
Birmingham
B3 2DS

BUSINESS POST EUROPE LIMITED

DIRECTORS' REPORT

for the year ended 31 March 2004

DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 March 2004.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the accounts on the 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENT

Throughout the year under review the Company remained dormant and there are no immediate plans for this situation to change.

RESULTS AND DIVIDENDS

The directors do not recommend the payment of a dividend (2003: £Nil).

DIRECTORS' INTERESTS

The directors who have held office during the year were:

P D Carvell
P D C Fitzwilliam
M Kane
P Kane

None of the directors had any interest in the Company's share capital during the year. The interests of the directors in the share capital of the ultimate company are disclosed in the financial statements of Business Post Group plc

This report was approved by the Board on 20th January 2005



P D C Fitzwilliam
Company Secretary

BUSINESS POST EUROPE LIMITED

BALANCE SHEET
as at 31 March 2004

	Notes	2004 £	2003 £
CURRENT ASSETS			
Amount owed by parent undertaking		100	100
		<hr/>	<hr/>
Net assets		100	100
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	3	100	100
Profit and loss account		<hr/>	<hr/>
		-	-
Equity shareholders' funds		100	100
		<hr/>	<hr/>

For the year ended 31 March 2003 the Company was entitled to the exemption under section 249A(1) of the Companies Act 1985.

Members have not required the Company to obtain an audit in accordance with section 249(B)(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for:

- (i) ensuring the company keeps accounting records which comply with section 221; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

The financial statements on pages 3 and 4 were approved by the Board on 20th January 2005


P D C Fitzwilliam
Director

BUSINESS POST EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Accounting convention

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

Cash flow statement

A cash flow statement has not been prepared as the Company is a wholly owned subsidiary of a company which published consolidated financial statements including a consolidated cash flow statement.

2 DIRECTORS' REMUNERATION

The services of the directors are provided by the ultimate parent company and no part of their remuneration is specifically attributable to the Company.

3 CALLED UP SHARE CAPITAL

	2004	2003
Authorised, allotted and called up		
100 ordinary shares of £1 each	<u>£100</u>	<u>£100</u>

4 COMMITMENTS

- (a) The company had no capital commitments at 31 March 2004 (2003 : £Nil).
- (b) The Company and its fellow subsidiary companies within the group have given unlimited cross guarantees to secure group bank borrowings. At the balance sheet date these amounted to £Nil (2003 : £Nil)

5 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors regard Business Post Group plc, a company incorporated in Great Britain, as the immediate and ultimate parent company and the the ultimate controlling party.

The parent undertaking of the largest and smallest group which includes the company and for which group accounts are prepared is Business Post Group plc. Copies of the financial statements can be obtained from the registered office of Express House, 464 Berkshire Avenue, Slough, Berkshire, SL1 4PL

6 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions available to it under Financial Reporting Standard No.8 in not providing details of transactions with other companies in the group as the company is a wholly owned subsidiary of Business Post Group plc.