THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and what action you should take you are recommended immediately to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who specialises in advising on the acquisition of shares and other securities and is authorised under the Financial Services and Markets Act 2000. Your attention is drawn to the section entitled "Risk Factors" in Part II of this document.

The Directors and Proposed Directors of Forward Link plc, whose names appear on page 9 of this document, accept responsibility, individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This document has been drawn up in accordance with the Public Offers of Securities Regulations 1995, as amended ("POS Regulations") and the Rules of the Alternative Investment Market ("AIM Rules"). A copy of this document, which comprises a prospectus under the POS Regulations, has been delivered to the Registrar of Companies in England and Wales for registration in accordance with Regulation 4(2) of the POS Regulations.

If you have sold or transferred all of your Existing Ordinary Shares please send this document, together with the accompanying Form of Proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

Application will be made for admission of the Existing Ordinary Shares and the New Ordinary Shares to trading on AIM. It is expected that such admission will take place and that dealings in the Ordinary Shares will commence on 28 July 2004. It is emphasised that no application is being made for the Ordinary Shares to be admitted to the Official List or to any other recognised investment exchange.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. London Stock Exchange plc has not itself examined or approved the contents of this document.

Forward Link plc
to be re-named
Frenkel Topping Group plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 4726826)

Acquisition of part of the issued share capital of Frenkel Topping Limited and Frenkel Topping Structured Settlements Limited and the Option
Placing of up to 551,042 new Ordinary Shares at 48p per share
Admission to trading on the Alternative Investment Market
by
Nominated Adviser and Broker
W.H. Ireland Limited

ORDINARY SHARE CAPITAL IMMEDIATELY FOLLOWING COMPLETION OF THE PROPOSALS

Authorised			*Issued and fully paid*	
Number	*Amount*		*Number*	*Amount*
60,000,000	£300,000	Ordinary Shares of 0.5p each	45,599,614	£227,998.07

The New Ordinary Shares will, on Admission, rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank *pari passu* in all other respects with all Existing Ordinary Shares which will be in issue on Admission.

This document does not constitute an offer to sell, or a solicitation of an offer to buy Existing Ordinary Shares or New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this document is not for distribution in or into the United States of America, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan. The Existing Ordinary Shares and New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or under the securities legislation of any state of the United States of America or any province or territory of Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan or in any country, territory or possession where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered or sold, directly or indirectly in or into the United States of America, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan or to any national, citizen or resident of the United States of America, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan.

W.H. Ireland Limited ("W.H. Ireland"), which is regulated by the Financial Services Authority, is acting for Forward Link in connection with the Proposals and is not acting for any person other than Forward Link and will not be responsible to any person other than Forward Link for providing the protections afforded to its customers or for providing advice to any other person in connection with the Proposals.

Zeus Capital Limited ("Zeus Capital"), which is regulated by the Financial Services Authority, is acting for Forward Link in connection with the Proposals and is not acting for any person other than Forward Link and will not be responsible to any person other than Forward Link for providing the protections afforded to its customers or for providing advice to any other person in connection with the Proposals.

Neither W.H. Ireland nor Zeus Capital has authorised the contents of any part of this document for the purposes of Regulation 13(1)(g) of the POS Regulations or otherwise and no liability whatsoever is accepted by W.H. Ireland or Zeus Capital for the accuracy of any information or opinions contained in this document, for which the Directors and Proposed Directors are solely responsible, or for the omission of any information.

Notice of an Extraordinary General Meeting of Forward Link to be held at the offices of Wacks Caller, Steam Packet House, 76 Cross Street, Manchester M2 4JU at 10.00 am on the 26 July 2004 is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the Extraordinary General Meeting which, to be valid, must be completed and returned so as to be received by Neville Registrars Limited, not later than 10.00 am on the 24 July 2004. Completion and return of the Form of Proxy will not preclude Shareholders from attending the meeting and voting in person should they subsequently wish to do so. The Directors' and Proposed Directors' recommendation is set out on page 18 of this document.

CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Prospectus publication date	**9 July 2004**
Last time and date for receipt of Forms of Proxy	**10.00 am on 24 July 2004**
Extraordinary General Meeting	**10.00 am on 26 July 2004**
Admission effective and dealings expected to commence in the Ordinary Shares	**28 July 2004**
CREST accounts credited	**28 July 2004**
Definitive share certificates despatched by no later than	**4 August 2004**

KEY STATISTICS

Number of Existing Ordinary Shares	**15,170,000**
Number of Consideration Shares*	**26,450,000**
Placing Price	**48p**
Number of new Ordinary Shares being issued under the Placing**	**551,042**
Placing Shares as a percentage of the enlarged issued share capital**	**1.21%**
Ordinary Shares to be issued on Acquisition other than Consideration Shares	**3,428,572**
Number of Ordinary Shares in issue immediately following completion of the Placing**	**45,599,614**
Gross proceeds of the Placing**	**£264,500**

*** assuming completion of the Acquisition**

**** assuming full subscription under the Placing**

DEFINITIONS

The following words and expressions shall have the following meanings in this document, unless the context otherwise requires:

"Acquisition"	the acquisition of 47,638 ordinary shares in the share capital of FTL and 794 ordinary shares in the share capital of FTSSL and the benefit of the Option by Forward Link pursuant to the Acquisition Agreement;
"Acquisition Agreement"	the conditional agreement dated 8 July 2004 between the Vendors (1) and Forward Link (2) relating to the Acquisition, further details of which are set out in paragraph 12.1.2 of Part VII of this document;
"Act"	the Companies Act 1985 (as amended);
"Admission"	the admission of the Existing Ordinary Shares and the New Ordinary Shares to trading on AIM and such admission becoming effective in accordance with Rule 6 of the AIM Rules;
"AIM Rules"	the rules published by the London Stock Exchange from time to time governing the admission to and the operation of AIM;
"AIM"	the Alternative Investment Market of the London Stock Exchange;
"Articles"	the Company's articles of association as amended from time to time;
"Board" or "Directors"	the directors of the Company as at the date of this document, whose names appear on page 9 of this document;
"Brearley's Placing Letter"	the letter dated 28 June 2004 by which James Brearley & Sons Limited agrees to subscribe and the Company agrees to allot 3,428,572 Ordinary Shares, conditional upon the Acquisition;
"Brearley's Shares"	the 3,428,572 Ordinary Shares to be issued, conditional upon Acquisition pursuant to the Brearley's Placing Letter;
"City Code"	the City Code on Takeovers and Mergers;
"Company" or "Forward Link"	Forward Link plc (registered in England and Wales under number 4726826);
"Completion"	completion of the Acquisition;
"Concert Party"	for the purposes of the City Code, the Vendors, further details of whom are set out in Part I and in paragraphs 4 and 5 of Part VII of this document;
"Consideration Shares"	the 26,450,000 Ordinary Shares to be issued to the Vendors pursuant to the Acquisition Agreement;
"CREST"	the computerised settlement system to facilitate the transfer of title of shares in uncertificated form operated by CREST Co Limited;
"EGM"	the extraordinary general meeting of the Company convened at 10.00 a.m. on 26 July 2004, notice of which is set out at the end of this document;

"Existing Ordinary Shares"	the 15,170,000 Ordinary Shares in issue at the date of this document;
"Form of Proxy"	the form of proxy which accompanies this document for use by holders of Existing Ordinary Shares in connection with the EGM;
"Group"	the Company and its subsidiaries upon Admission;
"Frenkel Topping"	the combined businesses of FTL and FTSSL;
"FTL"	Frenkel Topping Limited (registered in England and Wales under number 02312427);
"Independent Director"	Norman Molyneux;
"FTSSL"	Frenkel Topping Structured Settlements Limited (registered in England and Wales under number 02525306);
"London Stock Exchange"	London Stock Exchange plc;
"New Ordinary Shares"	together the Brearley's Shares, the Consideration Shares and the Placing Shares;
"Offer for Subscription"	the offer for subscription made by the Company in the terms of the prospectus dated 17 February 2004;
"Official List"	the official list of the UK Listing Authority;
"Option"	means the share sale and option agreement dated 8 July 2004 and made between John Richard Frenkel and others (1) and Richard Cullen Fraser and Stephen Ashcroft (2) the principal terms of which are set out in the section headed "Details of the Option" in Part 1 of this document;
"Ordinary Shares"	ordinary shares of 0.5p in the capital of the Company;
"Panel"	the Panel on Takeovers and Mergers;
"Placing"	the conditional placing of the Placing Shares pursuant to the Placing Agreement;
"Placing Agreement"	the conditional agreement dated 8 July 2004 between the Company (1), certain of the Proposed Directors (2) and W.H. Ireland (3), the principal terms of which are set out in paragraph 12.1.5 of Part VII;
"Placing Price"	48p per Placing Share;
"Placing Shares"	the 551,042 Ordinary Shares which are the subject of the Placing;
"POS Regulations"	the Public Offers of Securities Regulations 1995 (as amended);
"Proposals"	the Acquisition, the Placing and Admission;
"Proposed Directors"	Richard Cullen Fraser, Stephen Ashcroft, David Southworth and David Hannis;
"Prospectus"	this document dated 9 July 2004;
"Resolutions"	the resolutions referred to in the notice of EGM set out at the end of this document;

"Shareholders" or "Members"	holders of Existing Ordinary Shares;
"UK Listing Authority"	the Financial Services Authority acting in its capacity as a competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000, including where the context so permits any committee, employee or servant of such authority to whom any function of the UK Listing Authority may from time to time be delegated;
"US"	the United States of America;
"Vendors"	Richard Cullen Fraser, Stephen Ashcroft and Nicholas Leech, further details of whom are set out in Part I and in paragraphs 4 and 5 of Part VII of this document;
"W.H. Ireland"	W.H. Ireland Limited;
"Zeus Capital"	Zeus Capital Limited; and
"Zeus" or "Zeus Partners"	Ian William Currie, Richard Ian Hughes and Keith William Salisbury trading as Zeus Partners.

KEY INFORMATION

THE FOLLOWING INFORMATION IS DERIVED FROM AND SHOULD BE READ IN CONJUNCTION WITH THE WHOLE OF THIS DOCUMENT INCLUDING IN PARTICULAR THE SECTION HEADED RISK FACTORS IN PART II OF THIS DOCUMENT.

INTRODUCTION

On 8 July 2004, Forward Link conditionally agreed to acquire 47,638 ordinary shares in the share capital of Frenkel Topping Limited (representing 66.2 per cent. of the entire issued share capital), and 794 ordinary shares in the share capital of Frenkel Topping Structured Settlements Limited (representing 66.2 per cent of the entire issued share capital) and the benefit of the Option over the remaining 33.8 per cent of the ordinary shares in each of FTL and FTSSL, in consideration for the allotment of 26,450,000 Ordinary Shares in the Company representing approximately 58% of the enlarged issued share capital of the Company.

The Company will seek admission of its entire issued and to be issued share capital to trading on AIM and is seeking to raise £264,500 before expenses by way of a placing of up to 551,042 Placing Shares to fund the costs of the Proposals.

The Acquisition Agreement is conditional, *inter alia*, on the approval of shareholders, but not conditional upon Admission.

Forward Link raised £1,150,000 before expenses by way of an Offer for Subscription which closed on 2 June 2004 and the Company raised a further £600,000 before expenses by way of the Brearley's Placing Letter conditional upon the Acquisition. The funds will be used as working capital for Frenkel Topping and to exercise the first tranche of the Option, further details of which are set out in Part 1 of this document.

INFORMATION ON FTL AND FTSSL

FTL is an Independent Financial Adviser specialising in the investment of personal injury awards. FTSSL specialises in the design and use of structured settlements, which is a financial device enabling a claimant who has received a personal injury award to take all or part of that award as a tax free annuity.

FTL is regulated by the Financial Services Authority to provide investment advice on a range of financial instruments and products. FTL's primary business is to provide financial advice to individuals awarded damages in personal injury actions.

FTSSL was established in 1996 in order to separate the structured settlement business of FTL from its other financial services businesses. Since 1999, FTL has been appointed as an investment adviser by the Court of Protection on a number of cases instead of the normal court approved brokers. The Directors and the Proposed Directors believe that FTSSL is regarded as one of the market leaders in the UK in the implementation of structured settlements.

A structured settlement is an alternative to the conventional form of lump sum damages arising from a court case or similar action. Instead, either part or all of the damages are awarded as regular tax free payments to the claimant, which are normally guaranteed to last for the remainder of the claimant's life.

If the annuity element of a structured settlement only forms part of a claimant's award FTL will seek to advise on the investment of the balance. FTL advise on a mixture of financial instruments based on a tailored individual strategy agreed with the claimant or their court appointed representative.

FTL has also set up an investment management service under a formal arrangement with James Brearley & Sons Limited which provides a discretionary fund management service. As at 31 May 2004 FTL had arranged funds of approximately £102 million under that arrangement.

FINANCIAL INFORMATION ON FTL AND FTSSL

Financial information on FTL, FTSSL and Forward Link is contained in Parts III, IV and V of this document. In the year ended 31 December 2003, Frenkel Topping had a turnover of approximately £3.2 million and an operating profit of approximately £0.4 million.

MARKET

During the the 1990s, personal injury awards increased steadily both in terms of size and number. Although it is difficult to quantify the exact size of the market place, a regulatory impact assessment carried out by the Department for Constitutional Affairs and published in November 2002 estimated that at that time £2.26 billion of personal injury compensation had been paid in the year ended April 2002 and that £411 million had been paid by the NHS in respect of personal injury claims.

In October 2003, Practice Direction CPR 40 of the Civil Procedure Rules changed and introduced a requirement for a structured settlement report to be produced for all claims where future losses are in excess of £500,000. In addition, the Courts Act 2003 will, when brought fully into force, give courts the power to award periodic payments rather than lump sum awards.

DETAILS OF THE PLACING AND ADMISSION

The Company is proposing to raise £264,500 before expenses, by way of the placing of up to 551,042 Placing Shares at 48p per share. Assuming full subscription and completion of the Acquisition, the Placing Shares and the Consideration Shares will together represent approximately 59.2 per cent. of the Company's issued share capital following Admission. The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares. Application will be made to the London Stock Exchange for all the New Ordinary Shares and the Existing Ordinary Shares to be admitted to trading on AIM. It is expected that trading in the Ordinary Shares will commence on 28 July 2004.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Richard Ian Hughes *(Non-executive Chairman)** Norman Molyneux FCMA *(Executive Director)***
Directors Following Admission	David Robert Southworth *(Non-executive Chairman)* Richard Cullen Fraser *(Managing Director)* Stephen Ashcroft *(Commercial Director)* David Vincent Hannis *(Non-Executive Director)*
Company Secretary	Norman Molyneux FCMA**
Registered Office	3 Ralli Courts West Riverside Manchester M3 5FT
Proposed Registered Office Following Admission	Frontier House Merchants Quay Salford Quays Manchester M50 3SR
Nominated Adviser and Broker to the Company	W. H. Ireland Limited 11 St James's Square Manchester M2 6WH
Financial Adviser to the Company	Zeus Capital Limited 3 Ralli Courts West Riverside Manchester M3 5FT
Auditors and Reporting Accountants	Baker Tilly Brazennose House Lincoln Square Manchester M2 5BL
Solicitors to the Company	Wacks Caller Solicitors Steam Packet House 76 Cross Street Manchester M2 4JU
Solicitors to the Nominated Adviser and Broker	Cobbetts Ship Canal House King Street Manchester M2 4WB
Principal Bankers	The Co-operative Bank Plc 1 Balloon Street Manchester M60 4EP
Registrars	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA

* It is proposed that Richard Ian Hughes will resign upon Admission as a Director.

** It is proposed that, upon Admission, Norman Molyneux will resign as Company Secretary and Director, and Richard Cullen Fraser will be appointed Company Secretary.

PART I

LETTER FROM THE CHAIRMAN OF FORWARD LINK

Forward Link plc

(incorporated and registered in England and Wales under the Companies Act 1985
(as amended) with Registered Number 4726826)

Directors:
Richard Ian Hughes ***(Non-executive Chairman)***
Norman Molyneux ***(Executive Director)***

Registered Office:
3 Ralli Courts
West Riverside
Manchester M3 5FT

9 July 2004

To the holders of the Existing Ordinary Shares

Dear Shareholder

Acquisition of part of the issued share capital of each of Frenkel Topping Limited and Frenkel Topping Structured Settlements Limited and the Option
Placing of up to 551,042 new Ordinary Shares at 48p per share
Change of name to Frenkel Topping Group plc
Admission to trading on the Alternative Investment Market

INTRODUCTION

I am pleased to announce that Forward Link has today conditionally agreed to acquire 47,638 ordinary shares in the share capital of FTL and 794 ordinary shares in the share capital of FTSSL, representing 66.2 per cent. of the entire issued share capital of each of FTL and FTSSL respectively and the Option over the remaining 33.8 per cent. of the ordinary shares of both FTL and FTSSL. The consideration for this acquisition will be the issue and allotment to the Vendors of 26,450,000 Ordinary Shares in the Company representing 58.7 per cent. (assuming the Placing is not subscribed), and 58 per cent. (if the Placing is fully subscribed) of the enlarged issued share capital of the Company on completion of the Proposals. To fund the expenses of the Proposals, the Company is seeking to raise up to £264,500 by way of the Placing and will seek admission of the entire issued and to be issued share capital of the Company to trading on AIM.

Following Completion, the aggregate shareholding in the Company of the Concert Party will amount to 26,450,000 Ordinary Shares, representing 58 per cent. of the enlarged issued share capital of the Company (assuming full subscription under the Placing). As the Concert Party will be acquiring control by becoming interested in more than 30 per cent. of the issued share capital of the Company, in normal circumstances the Concert Party would be required under Rule 9 of the City Code ("Rule 9") to make a general offer in cash to Shareholders to acquire all the shares of the Company. Approval from Shareholders independent of the Concert Party will be sought at the EGM to waive the requirement for the Concert Party to make a general offer in cash to Shareholders under Rule 9 as described further below. The Acquisition is conditional on this requirement being waived.

The Acquisition is also conditional on the approval of Shareholders at the EGM. If the Resolutions are passed by Shareholders it is expected that Admission will take place and that trading on AIM in the Existing Ordinary Shares and the New Ordinary Shares will commence on 28 July 2004.

Further details of the agreements relating to the Acquisition are set out in the section headed "Principal Terms of the Acquisition" below and in Part VII of this document.

The purpose of this document is to provide you with information on the Proposals and to recommend that you vote in favour of all the Resolutions which are necessary to give effect to the Proposals at the EGM, notice of which is set out at the end of this document.

BACKGROUND TO AND REASONS FOR THE PROPOSALS

Forward Link was formed in April 2003 as a cash shell to attract companies and businesses which are seeking admission to trade on AIM.

By a prospectus dated 17 February 2004, the Company raised £1,150,000 before expenses by way of an Offer for Subscription which closed on 2 June 2004. By way of the Brearley's Placing Letter the Company raised a further £600,000 before expenses conditional upon the Acquisition. The funds will be used as working capital for Frenkel Topping and to purchase the first tranche of shares in FTL and FTSSL pursuant to the Option, further details of which are set out in Part I of this document.

In assessing potential acquisition and investment opportunities, the Directors have concentrated on companies and businesses which they consider have a good management team and which are operating in a market which has growth potential. The main criterion that the Directors have applied in identifying potential targets is to focus on businesses which have the capability to grow rapidly. The Directors believe that Frenkel Topping meets these acquisition criteria.

INFORMATION ON FTL AND FTSSL

FTL is an Independent Financial Adviser specialising in the investment of personal injury awards. FTSSL specialises in the design and use of structured settlements, which is a financial device enabling a claimant who has received a personal injury award, to take all or part of that award as a tax free annuity. FTL has set up an investment management service under a formal arrangement with James Brearley & Sons Limited which provides a discretionary fund management service. At 31 May 2004 FTL had arranged funds of approximately £102 million under that arrangement.

History

In 1980, John Frenkel and Michael Topping established a chartered accountancy practice specialising in forensic accounting and litigation support, mostly involving personal injury cases. During the early 1980's, the practice introduced financial services to its clients, by advising them how best to invest their personal injury award and, in 1989, the financial services business of the practice was transacted through a newly incorporated company, FTL.

In 1989, FTL became the first business in the UK to obtain judicial approval for a structured settlement in the landmark case Kelly v Dawes. Stephen Ashcroft and Richard Fraser joined the business during 1990 and 1991 respectively. Amendments in the Finance Act 1995 granted statutory tax free status to structured settlement annuity payments and the business has since generated an increasing number of structured settlements. In 1996, FTL opened a London office.

FTSSL was established in 1996 in order to separate the structured settlement business of FTL from its other financial services businesses and since 1999, FTL has been appointed as an investment adviser by the Court of Protection on a number of cases instead of the normal court approved brokers. In 2000 the sales force was expanded to target the investment of the whole of the award, rather than just the structured settlement element. In November 1999, FTL set up a dedicated investment advice service to manage funds on an advisory basis.

Following the appointment of Richard Fraser as managing director in 2000, Frenkel Topping's turnover has doubled which the Directors and the Proposed Directors believe is due to a greater emphasis on efficiency, risk assessment and control than had previously occurred.

Products

FTL is regulated by the Financial Services Authority to provide investment advice on a range of financial instruments and products. FTL's primary business is to provide financial advice to individuals awarded damages in personal injury actions.

Structured Settlements

A structured settlement is an alternative to the conventional method of lump sum damages arising from a court case or similar action. Instead, either part or all of the damages are awarded as a regular tax free payment to the claimant, which is normally guaranteed to last for the remainder of the claimant's life.

Investment Management Service

If the annuity element of a structured settlement only forms part of a claimant's award FTL will seek to advise on the investment of the balance. FTL advise on a mixture of financial instruments based on a tailored individual strategy agreed with the claimant or their court appointed representative.

Special Needs Trusts

Claimants who are entitled to means tested state benefits, could potentially lose this income because of a personal injury award. FTL will advise and arrange a special needs trust, which protects the claimant from losing these benefits.

Introducers

FTL's work is referred by solicitors and insurance companies involved in the personal injury field. FTL markets its services in a number of ways, including circulating periodic newsletters and providing seminars which help meet the continuing professional development requirements of solicitors and barristers.

In addition, the expertise of FTL in dealing with personal injury claimants has, in the Directors and the Proposed Directors' opinion enhanced the opportunity for FTL to provide investment advice for patients of the Court of Protection whose financial affairs would otherwise be administered by the Investment Division of the Public Guardianship Office.

Market

During the 1990's personal injury awards increased steadily both in size and number. Although it is difficult to quantify the exact size of the market place, a regulatory impact assessment carried out by the Department of Constitutional Affairs and published in November 2002 estimated, that at that time, £2.26 billion of personal injury compensation had been paid in the year ended April 2002 and that £411 million had been paid by the NHS in respect of personal injury claims.

In October 2003, Practice Direction CPR 40 of the Civil Procedures Rules (by which litigation is conducted in England and Wales) introduced a requirement for a structured settlement report to be produced for all claims where future losses are in excess of £500,000 which the Directors and the Proposed Directors believe will lead to increased levels of instruction. In addition, the Courts Act 2003 will, when brought fully into force, give Courts the power to award periodic payments rather than lump sum awards.

In the Directors and Proposed Directors' opinion FTSSL are regarded as one of the market leaders in the UK in the implementation of structured settlements.

Financial Information

The following information has been extracted from the accountants' reports on FTL and FTSSL contained in part III and part IV and should be read in conjunction with the full text of the accountants' reports. Investors should not rely solely on the key summarised information.

FTL and FTSSL are independent companies with common shareholders.

FTL	**Year ended 31 December 2001 £'000**	**Year ended 31 December 2002 £'000**	**Year ended 31 December 2003 £'000**
Turnover	1,703,145	1,827,303	1,539,048
Operating Profit	56,238	(48,701)	273,296

FTSSL	**Year ended 31 December 2001 £'000**	**Year ended 31 December 2002 £'000**	**Year ended 31 December 2003 £'000**
Turnover	1,026,756	902,145	1,629,912
Operating Profit	(60,964)	(283,828)	134,037

Current Trading and Prospects

In the year to date, FTL has procured £16 million of new investment funds under its Investment Management advisory service and is advising on a further 58 settled cases, with a total of £24 million awaiting investment.

FTL is also currently advising on cases which are approaching settlement which have an approximate value of £33 million. These sums are earmarked for investment by FTL or FTSSL by way of structured settlement and use of the Investment Management advisory service.

In addition, as at 30 June 2004, enquiries for Special Needs Trusts stand at 313 compared with 192 as at 30 June 2003.

Strategy

The primary strategy is to increase the funds procured under the investment management advisory service. The Directors' and Proposed Directors' expectations are that Frenkel Topping will continue to grow because of the increased number of claims being settled through a structured settlement, and by continuing to increase market share by referrals from solicitors and barristers and from clients who would normally go through the Court appointed stock brokers.

DIRECTORS

The directors of the Company as at the date of this document comprise myself as non-executive Chairman and Norman Molyneux. Upon completion of the Proposals Norman Molyneux and I will resign and David Southworth will be appointed non executive Chairman, David Hannis a Non-Executive Director, Richard Fraser will be appointed Managing Director and Company Secretary and Stephen Ashcroft appointed as Commercial Director. A brief summary of my biography and Norman Molyneux's biography is set out below:

Richard Ian Hughes (aged 36) Non-executive Chairman

I have over 15 years' experience of corporate activity including flotations, capital raisings and mergers and acquisitions for both public and private companies. I was until recently a managing director of Altium Capital Limited (formerly Apax Partners & Co. Corporate Finance Limited) having set up the Manchester office in 1996. I am a partner of Zeus Partners and a director of Zeus Capital Limited, which is a FSA regulated company providing corporate finance advice, and I am also a director of a number of private companies.

Norman Molyneux (aged 48) FCMA Executive Director

Norman qualified as an accountant in 1981. Since that time he has worked as a management consultant for Price Waterhouse and has held various board level positions in manufacturing companies. For the last three years, Norman has been managing director of Acceleris Corporate Ventures Limited, a corporate finance firm specialising in raising funds for early stage businesses.

PROPOSED DIRECTORS

Upon completion of the Proposals the Board of the Company will comprise 4 directors whose brief biographies are set out below. Details of service contracts and letters of appointment relating to the Proposed Directors are set out in paragraph 6 of Part VII of this document.

David Robert Southworth FCAA (aged 55) Non-Executive Chairman

David Southworth has extensive experience of managing and chairing both public and private companies. Having qualified as a Certified Accountant in 1972 he had experience with Philips Industries, Volex plc and Coopers & Lybrand prior to 14 years spent with Skillsgroup plc as managing director and subsequently executive chairman. Leaving Skillsgroup in December 2000 he has retained a number of non executive directorships including Burtonwood Brewery plc.

Richard Cullen Fraser (aged 44) Managing Director

Richard joined Frenkel Topping in 1991 after gaining experience in financial services whilst working at Lloyds Bank, Bradford and Bingley Building Society and Scottish Widows. Richard has been fully involved in the development of both structured settlements and FTL, becoming Managing Director in 2000. He played a key role in the appointment of FTL as an alternative investment adviser to the Court of Protection and Richard has also been a regular speaker at financial services conferences across the UK.

The Company plans to appoint a Finance Director at the earliest opportunity but, in the meantime, Richard will have responsibility for the finance function.

Stephen Ashcroft (aged 48) Commercial Director

Stephen studied law at Manchester University and had worked for Standard Life as a broker consultant before joining Frenkel Topping in 1990. Since joining Frenkel Topping Stephen has been fully involved in the development of structured settlements, contributing to the Law Commission Papers in 1992 and 1994. Stephen is also a regular speaker on structured settlements both in the UK and abroad, and is responsible for product development.

David Vincent Hannis (aged 41) Non-Executive Director

David joined James Brearley & Sons Limited in June 1986, having spent the previous 5 years working for the Royal Bank of Scotland. Between October 1988 and April 1999 David was responsible for the management of James Brearley's Southport office, where most of his time was spent in the management of client portfolios. In May 1999, David was appointed as the investment director and at this point established the group's Investment Management Division in Preston. This department is now responsible for the provision of portfolio management services for James Brearley as a whole, together with clients of a number of independent financial advisers.

SENIOR MANAGEMENT OF FTL AND FTSSL

In addition to the above, the key member of the management team of FTL and FTSSL is as follows:

Nick Leech (aged 35) Business Manager

Nick studied law at De Montfort University and has many years experience in the financial services sector gained from Lloyds TSB and John Charcol. Nick joined Frenkel Topping in 1998 and is now the Business Manager, overseeing the sales consultants. Nick reports to the current directors in respect of product development, business production, introducer development, marketing and staff training and development.

PRINCIPAL TERMS OF THE ACQUISITION

Under the terms of the Acquisition Agreement, the Company has conditionally agreed to acquire 47,638 ordinary shares in the share capital of FTL (representing 66.2% of the entire issued share capital), 794 ordinary shares in the share capital of FTSSL (representing 66.2% of the entire issued share capital) and the benefit of the Option in consideration for the allotment of Ordinary Shares in the Company representing approximately 58% of the enlarged issued share capital of the Company on completion of the Proposals. This consideration will be satisfied by the issue of the Consideration Shares. The agreement is conditional, *inter alia*, on the approval of Shareholders, but not conditional upon Admission.

Further information on the Acquisition Agreement is set out in paragraphs 12.1.2 of Part VII of this document.

DETAILS OF THE OPTION

On 8 July 2004, Richard Fraser and Stephen Ashcroft entered into a share sale and option agreement with John Frenkel, Naomi Frenkel and Arrow Nominees in respect of, *inter alia*, all the latter's ordinary shares in FTL and FTSSL representing 33.8 per cent. of each. On Completion the Company will acquire the benefit of the Option and will, subject to satisfaction of a condition relating to a personal guarantee, be bound to acquire the first tranche of shares representing 16.6 per cent. of the entire issued share capital of each of FTL and FTSSL for a sum of £600,000. The balance may be acquired under the option before 31 July 2006.

Further details of the Option are in paragraph 12.2 of part VII. The benefit of the Option will under the terms of the Acquisition Agreement be assigned to the Company on Completion and the Company will also be required to enter into a deed of adherence to a shareholders agreement details of which are set out in paragraph 12.3 of Part VII.

DETAILS OF THE PLACING

The Company is proposing to raise £264,500 before expenses, by way of the placing of up to 551,042 Placing Shares at 48p per share. Assuming full subscription and completion of the Acquisition, the Placing Shares and the Consideration Shares will together represent approximately 59.2 per cent. of the Company's issued share capital following Admission. The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares.

Application will be made to the London Stock Exchange for the Existing Ordinary Shares and the New Ordinary Shares to be admitted to trading on AIM. It is expected that trading in the Ordinary Shares will commence on 28 July 2004. The Placing is conditional, *inter alia*, upon the passing of the Resolutions and Admission.

CREST

The Directors have arranged with CRESTCo Limited for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system, if the relevant shareholders so wish. CREST is a paperless settlement procedure, which allows securities to be evidenced without a certificate and transferred otherwise than by written instrument. The Articles permit the holding and transfer of Ordinary Shares under the CREST system.

CREST is a voluntary system and holders of the Existing Ordinary Shares and the New Ordinary Shares who wish to receive and retain certificates in respect of Ordinary Shares will be able to do so.

USE OF FUNDS

The total funds raised from the Placing will be utilised by the Company to cover the expenses of the Proposals.

TAX RELIEFS AVAILABLE TO INVESTORS

For shareholders who are individuals, taper relief may apply depending on the length of ownership so that the effective rate of capital gains tax on any gain on a disposal by an individual shareholder may be reduced the longer the Ordinary Shares are held. Indexation allowance no longer applies in the case of individual shareholders. For corporate shareholders an indexation allowance (not taper relief) will be available on a disposal in respect of the subscription cost of the Ordinary Shares. An indexation allowance cannot be used to create or increase a loss for tax purposes.

THE CITY CODE ON TAKEOVERS AND MERGERS

The terms of the Proposals give rise to certain considerations under the City Code. Brief details of the Panel, the City Code and the protections they afford are described below.

The City Code has not, and does not seek to have, the force of law. It has, however, been acknowledged by government and other regulatory authorities that those who seek to take advantage of the facilities of the securities market in the United Kingdom should conduct themselves in matters relating to takeovers in accordance with best business standards and according to the City Code.

The City Code is issued and administered by the Panel. The City Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed or unlisted public company resident in the United Kingdom. The Company is such a company and its shareholders are entitled to the protection afforded by the City Code.

Under Rule 9, a person who acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of a company, is normally required by the Panel to make a general offer in cash to the shareholders of that company to acquire the balance of the shares not held by such person or group of persons acting in concert at not less than the highest price paid by him or any persons acting in concert with him for any such shares within the preceding twelve months.

Rule 9 also provides, *inter alia*, that where any person, together with persons acting in concert with him, holds shares carrying not less than 30 per cent. but not more than 50 per cent. of a company's voting rights and such person, or any person acting in concert with him, acquires additional shares which increase his percentage of the voting rights in that company, such person is normally required to make a general offer in cash to all shareholders of that company at not less than the highest price paid by him or any person acting in concert with him for any such shares within the preceding twelve months.

The City Code also provides that where any person, together with persons acting in concert with him, holds more than 50 per cent. of a company's voting rights, no obligation will normally arise under Rule 9 to make a general offer in cash to all shareholders of that company, save as described below, as a result of any acquisition by such person or any person acting in concert with him of any further shares carrying voting rights in the company. However, the Panel will regard as giving rise to an obligation to make an offer the acquisition by a single member of a concert party of shares sufficient to increase his individual holding to 30 per cent. or more of a company's voting rights, or, if he already holds more than 30 per cent but less than 50 per cent, an acquisition which increases his shareholding in that company.

For the purposes of the City Code, a concert party arises where persons acting in concert pursuant to an agreement or understanding (whether formal or informal) actively co-operate, through the acquisition by them of shares in a company, to obtain or consolidate control of that company. Control means a single holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

As a result of the issue of the Consideration Shares, the Acquisition will lead to a change of control of the Company. Under the City Code, the Vendors together constitute a concert party.

Immediately following the implementation of the Proposals and based upon the assumption that the Placing is fully subscribed, the members of the Concert Party will own 58 per cent. of the Company's issued ordinary share capital.

The relevant holdings of the members of the Concert Party, now and following completion of the Proposals, will be as follows:

	Number of ordinary shares of £1 each in FTL	Percentage holding of FTL	Number of ordinary shares of £1 each in FTSSL	Percentage holding of FTSSL	Number of Consideration Shares	Percentage of Forward Link following the Proposals*
Richard Cullen Fraser	22,199	30.83%	370	30.83%	12,433,348	27.27%
Stephen Ashcroft	23,639	32.83%	394	32.83%	12,954,181	28.40%
Nick Leech	1,800	2.5%	30	2.5%	1,062,471	2.33%
Total	47,638	66.16%	794	66.17%	26,450,000	58.00%

*assuming full subscription by the placees in the placing. The maximum percentage of Forward Link that would be held by the Concert Party if the placees do not subscribe in full for the placing shares would be 58.71%.

(a) Richard Cullen Fraser will be Managing Director of the Company on completion of the Acquisition. Further details are set out on page 13 of this Part I and paragraphs 4 and 5 of Part VII of this document.

(b) Stephen Ashcroft will be Commercial Director of the Company on completion of the Acquisition. Further details are set out on page 14 of this Part I and paragraphs 4 and 5 of Part VII of this document.

(c) Nick Leech is the Business Manager of Frenkel Topping. Further details are set out on page 14 of this Part I.

No member of the Concert Party holds any shares in the Company at the date of this document and none of them has dealt for value in any shares in the Company during the 12 months prior to the date hereof.

The Panel has agreed, subject to the passing of resolution number 2 in the notice of EGM by independent Shareholders voting on a poll, that it will not require the Concert Party to make a general offer under Rule 9 as a result of the issue of the Consideration Shares.

I and the other partners of Zeus Partners will not be entitled to vote upon Resolution 2 in the Notice of EGM. We are deemed not to be independent for the purposes of the City Code because of our interest in the options set out in paragraph 5.5 of Part VII.

On the assumptions that the Proposals are completed and that the Placing is taken up in full, the Concert Party will hold more than 50 per cent. of the enlarged issued share capital of the Company. The Concert Party and any other person acting in concert with it, may acquire any number of Ordinary Shares without incurring any obligation under Rule 9 to make a general offer for the Company, so long as no individual member of the Concert Party thereby becomes obligated to make a general offer by, *inter alia*, increasing its individual shareholding to 30 per cent. or more.

In addition, as the Concert Party will control over 50 per cent. of the voting rights of the Company following implementation of the proposals, the members of the Concert Party may be able to exert a significant degree of control over the future conduct of the Company.

Save as referred to in Part VII of this document, there are no agreements, arrangements or understanding (including compensation arrangements) between any member of the Concert Party and any of the Directors, Proposed Directors, Shareholders or recent Shareholders of the Company connected with or dependent upon the Proposals.

Particulars of all service contracts with more than 12 months to run between the Company, the Directors and the Proposed Directors are set out in paragraph 6 of Part VII of this document. Save as disclosed in paragraph 6 of Part VII, no such contracts have been entered into or amended in the six months prior to the date of this document.

Forward Link's existing business has hitherto been to look for appropriate acquisitions. Following Completion, Forward Link will undertake the business of Frenkel Topping.

Forward Link does not have any employees.

CORPORATE GOVERNANCE

The Board recognises the importance of sound corporate governance whilst taking into account the size and nature of the Company. As the Company grows, the Directors and the Proposed Directors intend that the Company should develop policies and procedures which reflect the Principles of Good Governance and Code of Best Practice, as published by the Committee on Corporate Governance (commonly known as the "Combined Code on Corporate Governance") and which are appropriate for a company of its size. The Board will take such measures, so far as is practicable, to comply with the Combined Code.

The Directors have, subject to Admission, established an audit committee and a remuneration committee. The audit committee will meet at least twice per annum and is responsible for ensuring the integrity of the financial information reported to Shareholders and the systems of internal controls. This committee will provide an opportunity for reporting by the Company's auditors. The Managing Director and the Commercial Director will attend meetings by invitation. The remuneration committee will meet at least once per annum to determine the terms of employment and total remuneration of the executive directors, including the granting of share options. The objective of this committee will be to attract, retain and motivate executives capable of delivering the Company's objectives. Both these committees will consist of the Chairman and the other non-executive directors.

The Company will ensure, in accordance with Rule 19 of the AIM Rules, that the Directors, Proposed Directors and applicable employees do not deal in any of the Ordinary Shares during a close period (as defined in the AIM Rules) and will take all reasonable steps to ensure compliance by the Directors, Proposed Directors and applicable employees.

LOCK-IN ARRANGEMENTS

In the Acquisition Agreement the Vendors have entered into irrevocable undertakings not to dispose of any of their shareholdings in the Company for a period of two years from Admission. Furthermore, certain of the Shareholders have agreed that they will not (save in certain specific circumstances) dispose of any Existing Ordinary Shares for a period of two years following Admission. The Placing Shares are not subject to any lock-in agreement.

The lock in arrangements above shall not prevent myself or the Proposed Directors making disposals in the following circumstances:

(a) In acceptance of a general offer for all Ordinary Shares in the capital of the Company (other than any such shares which are already owned by the person making such offer or any person(s) acting in concert with it) and made in accordance with the City Code:

    (i) whether or not such general offer shall have been recommended by the directors of the Company or shall have become unconditional as to acceptance; or

    (ii) pursuant to the provision of an irrevocable undertaking to accept such an offer or a sale of the Company;

(b) by personal representatives of a shareholder in accordance with the reasonable requirements of the Company;

(c) pursuant to the requirements of Section 425 of the Act or pursuant to Section 110 of the Insolvency Act 1986; and

The lock in arrangements shall not prevent the Vendors making disposals in the circumstances set out at (a)-(c) inclusive above and additionally where a disposal is ordered by a court of competent jurisdiction or where a disposal is for the purpose of funding a payment due to the Company in respect of a claim under the warranties in the Acquisition Agreement or the tax deed entered into pursuant to the Acquisition Agreement.

SHARE OPTIONS

No share options are currently in place. However the Company proposes to establish appropriate schemes in due course and to grant options to key employees but to have no more than ten per cent. of its issued ordinary share capital under option at any time. Further details of the proposals are set out at paragraph 3.14 of Part VII.

DIVIDEND POLICY

It is expected that any cash generated by the Group's operations in the short to medium term will be devoted to funding the Group's planned development. The Board, however, will continue to review the appropriateness of its dividend policy as the Group develops.

CHANGE OF NAME

The Company has resolved conditionally to change its name to Frenkel Topping Group plc.

EXTRAORDINARY GENERAL MEETING

A notice is set out at the end of this document convening an Extraordinary General Meeting to be held at 10.00 am on 26 July 2004 at Steam Packet House, 76 Cross Street, Manchester M2 4JU. At the Extraordinary General Meeting, the following Resolutions will be proposed as follows:

- to approve the Acquisition; and
- to approve the waiver agreed by the Panel of the obligation pursuant to Rule 9 (which is to be voted on a poll).

ACTION TO BE TAKEN

A Form of Proxy is enclosed in relation to the Extraordinary General Meeting. Whether or not you intend to be present at the meeting you are requested to complete, sign and return the Form of Proxy to Forward Link's registrars, Neville Registrars Limited, as soon as possible but in any event so as to arrive not later than 10.00 am on 24 July 2004. The completion and return of a Form of Proxy will not preclude you from attending the meeting and voting in person should you subsequently wish to do so.

FURTHER INFORMATION

Your attention is drawn to the remainder of this document, which provides additional information on the matters discussed above.

RECOMMENDATION

I have not participated in the discussions of the Board in respect of the Acquisition and the Rule 9 waiver. The Independent Director, who has been so advised by W.H. Ireland, considers that the terms of the Proposals and the Rule 9 waiver are in the best interests of the Company and the Shareholders as a whole. In providing advice to the Board, W.H. Ireland has taken into account the Independent Director's commercial assessments. Accordingly, the Independent Director, who is not a Shareholder, recommends Shareholders to vote in favour of the Resolutions. Richard Ian Hughes, whose beneficial and non-beneficial holdings in aggregate amount to 2,287,260 ordinary shares, representing approximately 15.07 per cent. of the Existing Ordinary Shares will not be entitled to vote upon Resolution 2 in the Notice of EGM because he is deemed not to be independent for the purposes of the City Code.

Yours sincerely

Richard Ian Hughes
Chairman

PART II

RISK FACTORS

In addition to the other relevant information set out in this document, the following specific risk factors should be considered carefully in evaluating whether to make an investment in the Company. The investment offered in this document may not be suitable for all of its recipients. If you are in any doubt about the action you should take, you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

In addition to the usual risks associated with an investment in a business at an early stage of its development, the Directors and the Proposed Directors consider that the factors and risks described below are the most significant and should be carefully considered, together with all other information contained in this document, prior to investing in the Ordinary Shares. It should be noted that the risks described below are not the only risks faced by the Company and there may be additional risks that the Directors and the Proposed Directors currently consider not to be material or of which they are currently unaware.

Possible volatility on the price of the Ordinary Shares

Following Admission, the market price of the Ordinary Shares may be subject to significant fluctuations in response to many factors, including variations in the results of the Group, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions, legislative changes in the Group's sector and other events and factors outside of the Group's control.

In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Ordinary Shares.

Admission to AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares. It may be more difficult for an investor to realise an investment in the Company than in a company whose shares are quoted on the Official List.

Requirement for further funds

It may be necessary for the Company to raise further funds in the future, which may be by way of the issue of further Ordinary Shares on a non pre-emptive basis which could result in a dilution of the interests of the shareholders at the time of such issue. There can be no guarantee that such a further fundraising would be successful.

Investment risk

Potential investors should be aware that the value of shares can rise or fall and that there may not be proper information available for determining the market value of an investment in the Company at all times. An investment in a share which is traded on AIM, such as the Ordinary Shares, is likely to be difficult to realise and carries a high degree of risk. The ability of an investor to sell Ordinary Shares will depend on there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realise his/her investment in the Company and he/she may lose all his/her investment.

Economic, political, judicial, administrative, taxation or other regulatory matters

The Company may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, as well as other unforeseen matters.

Competition

There can be no guarantee that the Group will be able to respond to competitive challenges effectively, particularly if an organisation with substantial financial resources decides to enter the market.

Attraction and retention of key employees

The Group depends on its directors and other key personnel and whilst it has entered into contractual arrangements with these individuals with the aim of securing the services of each of them, retention of these services cannot be guaranteed. The loss of the services of any of the directors or other key employees could damage the Group's business.

Equally the ability to attract new employees with the appropriate expertise and skills cannot be guaranteed. The Group may experience difficulties in hiring appropriate employees and the failure to do so may have a detrimental effect upon the trading performance of the Group.

Trading history

The Group's future success will depend on the Directors' and Proposed Directors' ability to implement their objectives and strategy. Whilst the Directors and Proposed Directors are optimistic about the Group's prospects, there is no guarantee that anticipated revenues or growth can be achieved.

Management of growth projections

There can be no guarantee that the Group will achieve the level of business anticipated. There is no guarantee that the persons who have introduced clients to FTL and FTSSL in the past will continue to do so in the future. Similarly, there is no guarantee that the organisations who have provided the structured settlement products to FTSSL's clients in the past, will continue to do so.

Financial Services Authority

FTL ais regulated by the Financial Services Authority and authorised by them to conduct certain regulated activities. FTSSL is an appointed representative of FTL. In order to conduct their businesses, FTL needs to remain authorised.

Forward looking statements

Certain statements within this document, including those in Part I of this document, constitute forward looking statements. Such forward looking statements involve risks and other factors which may cause the actual results, achievements or performance of the Group to be materially different from any future results, achievements or performance expressed or implied by such forward looking statements. Such risks and other factors include, but are not limited to, general economic and business conditions, changes in government regulation, competition, changes in development plans and the other risks described in this Part II. There can be no assurance that the results and events contemplated by the forward looking statements contained in this document will, in fact, occur. These forward looking statements are correct only as at the date of this document. None of the Company, the Directors, nor the Proposed Directors have undertaken any obligation to release publicly any revisions to these forward looking statements to reflect events or circumstances occurring after the date of this document except as required by law or by regulatory authority.

PART III

ACCOUNTANTS' REPORT ON FRENKEL TOPPING LIMITED

BAKER TILLY

The Directors and Proposed Directors
Forward Link plc
3 Ralli Courts
West Riverside
Manchester
M3 5FT

The Directors
W H Ireland Limited
11 St James's Square
Manchester
M2 6WH

9 July 2004

Dear Sirs

Frenkel Topping Limited

We report in connection with Forward Link plc's ("Forward Link" or "the Company") proposed placing of ordinary shares ("the Placing") and the admission to trading on the Alternative Investment Market ("AIM") of its ordinary share capital ("Admission"). This report has been prepared for inclusion in the prospectus dated 9 July 2004 ("the Prospectus").

Basis of preparation

The financial information set out below is based on the audited financial statements of Frenkel Topping Limited ("FTL") for the three years ended 31 December 2003 after making such adjustments as we consider necessary. The financial statements for the two years ended 31 December 2002 were audited by Jack Ross and Co., Chartered Accountants who gave unqualified reports thereon. The financial statements for the year ended 31 December 2003 were audited by Baker Tilly, Chartered Accountants who gave an unqualified report thereon. No audited financial statements have been prepared in respect of any subsequent period.

Responsibility

The financial statements of FTL are the responsibility of the directors of FTL, who approved their issue. The Directors and Proposed Directors of Forward Link ("the Directors"), are responsible for the contents of the Prospectus in which this report is included.

It is our responsibility to compile the financial information set out below from FTL's financial records and to make a report in accordance with paragraph 45 of Schedule 1 to the Public Offers of Securities Regulations 1995. Our work has been undertaken so that we might state those matters we are required to state in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone for any other purpose for our work, for this report or for the opinion we have formed.

Basis of Opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amount of and disclosures in the financial information. The evidence included that previously obtained during the audit of the financial statements underlying the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial statements and whether the accounting policies are appropriate to FTL's circumstances, consistently applied and adequately disclosed.

We planned and performed our work 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 information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information set out below, gives, for the purposes of the Prospectus, a true and fair view of the profits and losses, cash flows and recognised gains and losses of FTL for the three years ended 31 December 2003, and of the state of affairs of FTL for each of the periods then ended.

Profit and loss accounts

	Note	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Turnover	**2**	1,703,145	1,827,303	1,539,048
Cost of sales		(959,253)	(1,018,638)	(690,932)
Gross profit		743,892	808,665	848,116
Administrative expenses		(687,654)	(804,142)	(574,820)
Exceptional administrative expenses	**3**	-	(53,224)	-
Operating profit/(loss)	**3**	56,238	(48,701)	273,296
Interest payable and similar charges	**7**	(57,870)	(57,093)	(53,227)
(Loss)/profit on ordinary activities before taxation		(1,632)	(105,794)	220,069
Taxation on (loss)/profit on ordinary activities	**8**	(461)	(17,213)	(24,409)
(Loss)/Profit/ on ordinary activities after taxation		(2,093)	(123,007)	195,660
Dividends proposed	**9**	-	-	(30,000)
Net (loss)/profit for the year	**19**	(2,093)	(123,007)	165,660

Turnover and operating (loss)/profit all derive from continuing operations.

Statement of total recognised gains and losses

There are no recognised gains or losses other than those stated above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheets

	Note	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Fixed assets				
Intangible assets	**10**	30,000	25,000	20,000
Tangible assets	**11**	251,800	175,791	149,573
Investments	**12**	770	-	-
		282,570	200,791	169,573
Current assets				
Stock	**13**	332,527	441,275	300,113
Debtors	**14**	623,174	617,972	605,302
		955,701	1,059,247	905,415
Creditors: amounts falling due within one year	**15**	(829,477)	(933,547)	(806,782)
Net current assets		126,224	125,700	98,633
Total assets less current liabilities		408,794	326,491	268,206
Creditors: amounts falling due after more than one year	**16**	(343,372)	(371,802)	(147,544)
Provision for liabilities and charges	**17**	-	(12,274)	(12,587)
Net assets/(liabilities)		65,422	(57,585)	108,075
Capital and reserves				
Called up share capital	**18**	72,000	72,000	72,000
Profit and loss account	**19**	(6,578)	(129,585)	36,075
Equity shareholders' funds	**19**	65,422	(57,585)	108,075

Cash flow statements

	Note	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Net cash inflow from operations	**20(a)**	166,271	252,459	411,341
Returns on investments and servicing of finance				
Interest paid		(57,870)	(57,093)	(53,227)
UK corporation tax paid		-	(11,937)	-
Capital expenditure and financial investment				
Purchase of tangible assets		(165,841)	(10,046)	(17,048)
Sale of tangible assets		-	11,500	1,387
Net cash(outflow)/inflow from capital expenditure		(165,841)	1,454	(15,661)
Acquisitions and disposals				
Payments on acquisition of group interests		(770)	770	-
Net cash (outflow)/inflow for acquisitions and disposals		(770)	770	-
Net cash (outflow)/inflow before financing		(58,210)	185,653	342,453
Financing				
Repayment of bank loan		-	(4,573)	(193,055)
Directors' loans		200,650	77,367	(30,253)
Advance/(repayment) of short term loan		32,700	11,500	(40,000)
Capital element of finance lease rentals and hire purchase contract		-	(80,770)	(57,240)
Net cash inflow/(outflow) from financing		233,350	3,524	(320,548)
Increase in cash	**20(b)**	175,140	189,177	21,905

Notes to the financial information

1. Principal accounting policies

The following accounting policies have been applied consistently to the financial information throughout the period under review.

Basis of accounting

The financial information in this report has been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents the amount of net commissions and fees, excluding value added tax, made during the year. Commission income is recognised on submission of a completed clients' application form and fees on the basis of invoices raised.

Intangible fixed assets

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its estimated useful life. The rates of depreciation used were as follows:

Leasehold improvements	15% straight line
Fixtures, fittings and equipment	15% straight line
Motor vehicles	25% straight line
Computer equipment	15% straight line

Leased assets and obligations

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet dates where transactions or events have occurred at that date which will result in an obligation to pay more, or a right to pay less or receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where replacement assets are sold.

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Work in progress, which reflects the amount of time incurred on specific ongoing cases, is calculated on the basis of expected sales less profit.

Pension contributions

The pension costs charged in the financial information represent the contributions payable by FTL during the year.

2. Turnover

The total turnover of the company has been derived from its principal activity wholly undertaken in the UK.

	Year ended 31 December 2001 £	**Year ended 31 December 2002 £**	**Year ended 31 December 2003 £**
Fees and commissions	1,691,588	1,815,703	1,533,323
Sundry income	11,557	11,600	5,725
	1,703,145	1,827,303	1,539,048

3. Operating profit/(loss)

This is stated after charging:

	Year ended 31 December 2001 £	**Year ended 31 December 2002 £**	**Year ended 31 December 2003 £**
Charge for the period:			
Depreciation and other amounts written off in relation to tangible fixed assets	96,701	58,917	52,494
Depreciation and other amounts written off in relation to intangible fixed assets	5,000	5,000	5,000
Loss on disposal of tangible fixed assets	-	15,637	14,444
Auditors' remuneration	4,800	4,000	6,000
Auditors' remuneration - non audit fees	-	2,000	4,500
Operating lease rentals:			
Motor vehicles	(13,664)	5,064	6,752
Exceptional administrative expenditure (see note 22)	-	53,224	-

4. Employees

The average monthly number of persons, including directors, employed by the company during the period was:

	Year ended 31 December 2001 No.	Year ended 31 December 2002 No.	Year ended 31 December 2003 No.
Directors	6	4	3
Sales	6	8	5
Administration	14	21	12
	26	33	20

Staff costs for the above persons:

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Wages and salaries	940,329	986,147	447,075
Social security costs	74,740	112,477	43,580
Other pension costs	25,593	36,252	14,565
	1,040,662	1,134,876	505,220

5. Directors' remuneration

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Total aggregate emoluments for Directors	106,922	59,456	18,500
Amounts paid to money purchase pension schemes	7,000	2,917	-
	113,922	62,373	18,500

Two directors have retirement benefits accruing under the money purchase pension scheme (2002: two; 2001: two).

6. Pension costs

FTL operates a defined contribution pension scheme in respect of the directors and certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from FTL and amounted to £14,565 (2002: £36,252, 2001: £25,593).

7. Interest payable and similar charges

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Interest payable on bank loans and overdrafts	24,608	25,222	17,560
Interest on other loans	3,600	3,000	9,500
Hire purchase interest	29,662	21,043	15,106
Interest on overdue tax	-	7,828	11,061
	57,870	57,093	53,227

8. Tax on (loss)/profit on ordinary activities

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Current tax			
UK corporation tax on profit/(loss) of the period	-	7,657	23,081
Adjustment in respect of previous period	461	(2,718)	1,015
	461	4,939	24,096
Deferred tax			
Origination and reversal of timing differences	-	12,274	313
Tax on (loss)/profit on ordinary activities	461	17,213	24,409

Factors affecting the tax charge for the year:

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
(Loss)/profit on ordinary activities before tax	(1,632)	(105,794)	220,069
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003: 19% 2002: 20%, 2001: 20%)	(326)	(21,158)	41,813
Effects of:			
Non deductible expenses	3,739	7,557	7,669
Capital allowances for period in excess of depreciation	-	2,044	(561)
Adjustments to previous periods	461	(2,718)	1,015
Deferred tax	(3,413)	-	-
Rate change	-	(837)	-
Exceptional administrative expenditure	-	10,645	-
Effects of prior period adjustment	-	9,406	(25,840)
Current tax charge for the year	461	4,939	24,096

9. Dividends

	31 December 2001 £	31 December 2002 £	31 December 2003 £
Dividends on ordinary shares - final proposed	-	-	30,000

10. Intangible fixed assets

Purchased goodwill:

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Cost			
Brought forward	50,000	50,000	50,000
Additions	-	-	-
Disposals	-	-	-
Carried forward	50,000	50,000	50,000
Amortisation			
Brought forward	15,000	20,000	25,000
Charge for the year	5,000	5,000	5,000
Carried forward	20,000	25,000	30,000
Net book value			
Carried forward	30,000	25,000	20,000
Brought forward	35,000	30,000	25,000

Goodwill arising on the acquisition of part of an unincorporated business in December 1997 is being amortised over 10 years. In the opinion of the directors, this represents a prudent estimate of the period over which FTL will derive economic benefit from the business acquired.

11. Tangible fixed assets

	Leasehold improvements £	Motor vehicles £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost					
Brought forward	2,759	55,144	66,661	27,457	152,020
Additions	-	89,425	799	163,760	253,984
At 31 December 2001	2,759	144,569	67,459	191,217	406,004
Additions	-	-	6,396	3,650	10,046
Disposals	-	(44,675)	-	-	(44,675)
At 31 December 2002	2,759	99,894	73,855	194,867	371,375
Additions	-	25,059	-	17,048	42,107
Disposals	-	(46,750)	-	-	(46,750)
At 31 December 2003	2,759	78,203	73,855	211,915	366,732
Depreciation					
Brought forward	244	6,257	45,404	5,598	57,503
Charge for the period	414	47,918	3,972	44,397	96,701
At 31 December 2001	658	54,175	49,376	49,995	154,204
Charge for the year	414	24,973	4,502	29,028	58,917
On disposals	-	(17,537)	-	-	(17,537)
At 31 December 2002	1,072	61,611	53,878	79,023	195,584
Charge for the year	414	16,941	4,946	30,193	52,494
On disposals	-	(30,919)	-	-	(30,919)
At 31 December 2003	1,486	47,633	58,824	109,216	217,159
Net book value					
As at 31 December 2001	2,101	90,394	18,083	141,222	251,800
As at 31 December 2002	1,687	38,283	19,977	115,844	175,791
As at 31 December 2003	1,273	30,570	15,031	102,699	149,573

Included above are assets held under finance leases or hire purchase contracts as follows:

	As at 31 December 2001		As at 31 December 2002		As at 31 December 2003	
Asset description	**NBV**	**Depreciation**	**NBV**	**Depreciation**	**NBV**	**Depreciation**
Computer equipment	119,196	39,940	95,327	23,869	71,458	23,869
Motor vehicles	90,394	47,918	38,283	24,973	21,406	3,654
	209,590	87,858	133,610	48,842	92,864	27,523

12. Investments

Investments in subsidiary undertakings shares are as follows:

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Cost			
Brought forward	770	770	-
Additions	-	-	-
Disposals	-	(770)	-
Net book value			
At 31 December	770	-	-

Frenkel Topping Limited holds 20% or more of the share capital of the following companies:

Company	Country of incorporation	Nature of business	Class of shares held	Proportion of of shares held
Frenkel Topping (U.S.) Limited	England and Wales	Advice on structured settlements	Ordinary	100%
Mainstay Life Services Limited	England and Wales	Support for personal injury victims	Ordinary	91%

The aggregate amount of capital and reserves and the results of these undertakings for the years ended 31 December 2002 were as follows:

	Capital and reserves		(Loss)/profit for the year	
	As at 31 December 2001 £	As at 31 December 2002 £	Period ended 31 December 2001 £	Year ended 31 December 2002 £
Frenkel Topping (U.S.) Limited	(13,892)	(2,350)	(13,992)	11,542
Mainstay Life Services Limited	(104,249)	(28,720)	(105,249)	75,529

On 31 October 2002 Frenkel Topping Limited acquired the remaining 40% shareholding of Frenkel Topping (U.S.) Limited for nil consideration and that company then ceased trading and is now dormant. On 31 December 2002 Frenkel Topping Limited disposed of its entire shareholding in Frenkel Topping (U.S.) Limited by transferring them to J R Frenkel, S Ashcroft and R C Fraser for nil consideration.

On 30 April 2002 Frenkel Topping Limited acquired the 20% shareholding of Mainstay Life Services held by A Kerr at nil consideration. On 31 December 2002 Frenkel Topping Limited disposed of its 91% shareholding in Mainstay Life Services Limited by transferring them to J R Frenkel, S Ashcroft and R C Fraser for nil consideration.

13. Stocks and work in progress

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Stationery stock	10,332	10,332	4,650
Work in progress	322,195	430,943	295,463
	332,527	441,275	300,113

14. Debtors

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Trade debtors	171,046	152,445	162,402
Other debtors	3,365	6,859	28,029
Amounts owed by connected parties (see note 22)	347,132	335,057	295,007
Prepayments and accrued income	101,631	123,611	119,864
	623,174	617,972	605,302

15. Creditors: amounts falling due within one year

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Bank overdrafts	216,373	27,196	5,291
Bank loan	4,200	4,200	-
Other loans	28,500	40,000	-
Net obligations under finance leases and hire purchase contracts	77,828	41,422	14,391
Trade creditors	205,422	203,707	104,383
Amounts owed to connected parties (see note 22)	42,060	121,292	98,491
Corporation tax	14,656	7,657	31,753
Other taxation and social security costs	95,695	243,088	243,987
Accruals and deferred income	144,743	244,985	278,486
Proposed dividend	-	-	30,000
	829,477	933,547	806,782

16. Creditors: amounts falling due after more than one year

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Bank loan	193,428	188,855	-
Directors' loans	78,605	155,972	125,719
Net obligations under finance leases and hire purchase contracts	71,339	26,975	21,825
	343,372	371,802	147,544
Loan maturity analysis			
Repayable in one year or less	32,700	44,200	-
In more than one year but less than two years	4,200	4,200	-
In two to five years	69,228	174,627	125,719
In more than five years	198,605	166,000	-
	304,733	389,027	125,719
Repayable in five years or more:			
Bank loan	120,000	166,000	-
Directors' loans	78,605	-	-
	198,605	166,000	-

The bank loan and overdraft are secured by a charge over the assets of the company. The obligations under finance leases and hire purchase contracts are secured by the assets relevant to the contracts.

Net obligations under finance leases and hire purchase contracts

	2001 £	2002 £	2003 £
Repayable within one year	77,828	41,422	14,391
Repayable between one and five years	71,339	26,975	21,825
	149,167	68,397	36,216

17. Provision for liabilities and charges

Deferred taxation is provided as follows:

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Accelerated capital allowances	-	12,274	12,587
Opening provision	-	-	12,274
Deferred tax in profit and loss account	-	12,274	313
Closing provision	-	12,274	12,587

18. Called up share capital

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Authorised			
1,025,000 Ordinary shares of £1 each	1,025,000	1,025,000	1,025,000
Allotted, issued and fully paid			
72,000 Ordinary shares of £1 each	72,000	72,000	72,000

19. Reconciliation of equity shareholders' funds and movements on reserves

	Share capital £	Other reserve £	Profit and loss account £	Total shareholders' funds £
At 1 January 2001	72,000	-	(4,485)	67,515
Loss for the year	-	-	(2,093)	(2,093)
At 31 December 2001	72,000	-	(6,578)	65,422
Loss for the year	-	-	(123,007)	(123,007)
At 31 December 2002	72,000	-	(129,585)	(57,585)
Profit for the year	-	-	165,660	165,660
At 31 December 2003	72,000	-	36,075	108,075

20. Cash flows

(a) Reconciliation of operating (loss)/profit to net cash inflow from operating activities:

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Operating profit/(loss)	56,238	(48,701)	273,296
Depreciation	101,701	63,917	57,494
Loss on sale of tangible fixed assets	-	15,637	14,444
(Increase)/decrease in debtors	(92,775)	5,202	12,670
Increase/(decrease) in creditors	85,184	325,152	(87,725)
Decrease/(increase) in stocks	15,923	(108,748)	141,162
	166,271	252,459	411,341

20. **Cash flows (continued)**

(b) Reconciliation of net cash flow to movement in net debt

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Increase in cash in the period	175,140	189,177	21,905
Cash (outflow)/inflow from increase in debt and lease finance	(233,350)	(3,524)	320,548
Change in net (debt)/funds resulting from cashflows	(58,210)	185,653	342,453
New finance leases	(103,225)	-	(25,059)
Movement in net debt	(161,435)	185,653	317,394
Opening net debt	(508,838)	(670,273)	(484,620)
Closing net debt	(670,273)	(484,620)	(167,226)

c) Analysis of debt

	Opening Balance £	Cash Flows £	Other Changes £	Closing Balance £
Net cash at 1 January 2001:				
Overdrafts	(363,013)	146,640	-	(216,373)
	(363,013)	146,640	-	(216,373)
Debt:				
Bank and other loans:				
Debts falling due within 1 year	-	(32,700)	-	(32,700)
Debts falling due after 1 year	(99,883)	(77,320)	(94,830)	(272,033)
Finance leases and hire purchase contracts	(45,942)	-	(103,225)	(149,167)
	(145,825)	(110,020)	(198,055)	(453,900)
Net Debt at 31 December 2001	(508,838)	36,620	(198,055)	(670,273)
Net cash at 1 January 2002:				
Overdrafts	(216,373)	189,177	-	(27,196)
	(216,373)	189,177	-	(27,196)
Debt:				
Bank and other loans:				
Debts falling due within 1 year	(32,700)	(11,500)	-	(44,200)
Debts falling due after 1 year	(272,033)	(72,794)	-	(344,827)
Finance leases and hire purchase contracts	(149,167)	80,770	-	(68,397)
	(453,900)	(3,524)	-	(457,424)
Net Debt at 31 December 2002	(670,273)	185,653	-	(484,620)

20. Cash flows (continued)

c) Analysis of debt (continued)

	Opening Balance £	Cash Flows £	Other Changes £	Closing Balance £
Net cash at 1 January 2003:				
Overdrafts	(27,196)	21,905	-	(5,291)
	(27,196)	21,905	-	(5,291)
Debt:				
Bank and other loans:				
Debts falling due within 1 year	(44,200)	44,200	-	-
Debts falling due after 1 year	(344,827)	219,108	-	(125,719)
Finance leases and hire purchase contracts	(68,397)	57,240	(25,059)	(36,216)
	(457,424)	320,548	(25,059)	(161,935)
Net Debt at 31 December 2003	(484,620)	342,453	(25,059)	(167,226)

21. Commitments under operating leases

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Other:			
Expiring in the first year	517	-	-
Expiring between one and five years	-	6,144	6,144

Transactions with directors

FTL made an interest free loan to R C Fraser as follows:

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Balance due	-	-	21,518
Maximum balance in year	-	-	21,518

22. Related party transactions

During the year ended 31 December 2002, Frenkel Topping Limited wrote off amounts due from a subsidiary, Mainstay Life Services Limited, in the amount of £53,224, which arose from financial assistance provided to the subsidiary in earlier years. This has been shown as an exceptional administrative item in the profit and loss account.

FTL's directors are also directors of Frenkel Topping Structured Settlements Limited with whom FTL shares offices and labour resources. During the year ended 31 December 2003, FTL raised various recharges amounting to £448,187 which passed through the inter company loan account, against which it received £525,000 during the year. At the year end, FTL was owed £243,831 (2002: £320,644, 2001: £304,213) by Frenkel Topping Structured Settlements Limited which is included in debtors.

All the directors are partners in Frontier Properties who act as managing agents for Winterthur Pension Trustees UK Limited, in relation to an informal lease under which FTL occupies its offices. During the year ended 31 December 2003, FTL incurred costs in connection with the occupation of the offices amounting to £47,737 (2002: £27,381, 2001: £29,533). At the year end, FTL was owed £1,878 (2002: owed £43,248 to, 2001: owed £15,887 to) by Frontier Properties, an amount included in debtors (2002, 2001 creditors).

J R Frenkel is the sole proprietor of Frenkels, a chartered accountancy practice, which provides accounting services to FTL. During the year ended 31 December 2003, FTL incurred fees for accounting services amounting to £15,000 (2002: £27,850, 2001: £6,000). At the year end FTL owed £98,491 (2002: £78,044, 2001: £7,176) to Frenkels, which is included in creditors. J R Frenkel is also a director of Antek Services Limited to whom expenses were recharged amounting to £29,248 (2002: £12,708, 2001: nil). At the year end, the balance owing from Antek Services amounted to £49,298 (2002: £14,413, 2001: nil) and is included in debtors.

J R Frenkel is a partner in Frenkel Topping, a chartered accountancy practice. During the year ended 31 December 2001, FTL incurred fees for accounting services amounting to £9,434. At the year end FTL owed £18,997.

FTL's directors are also directors of Frenkel Topping (US) Limited and Mainstay Life Services Limited which up to 31 December 2002, were subsidiaries of FTL. During the year ended 31 December 2001, the balance due to Frenkel Topping (US) Limited was £31,971 and the balance due from Mainstay Life Services Limited was £74,890. The net balance of £42,919 was included in debtors.

23. Nature of financial information

The financial information presented in respect of the three years ended 31 December 2003 does not constitute statutory accounts for each of the periods. Statutory accounts for the three years ended 31 December 2003 have been delivered to the Registrar of Companies. In respect of the statutory accounts for the year to 31 December 2003 we, Baker Tilly, Chartered Accountants, have made an unqualified report under Section 235 of the Companies Act 1985 and such report did not contain any statement under Section 237(2) or (3) of that Act. In respect of the statutory accounts for the years ended 31 December 2001 and 31 December 2002 Jack Ross & Co, Chartered Accountants, have made unqualified audit reports under Section 235 of the Companies Act 1985 and such report did not contain any statement under Section 237(2) or (3) of that Act.

24. Consent

We consent to the inclusion of this report in the Prospectus dated 9 July 2004 and accept responsibility for this report for the purposes of paragraph 45 of Schedule 1 to the Public Offers of Securities Regulations 1995.

Yours faithfully

Baker Tilly
Registered Auditor
Chartered Accountants
Manchester

PART IV

ACCOUNTANTS' REPORT ON FRENKEL TOPPING STRUCTURED SETTLEMENTS LIMITED

BAKER TILLY

The Directors and Proposed Directors
Forward Link plc
3 Ralli Courts
West Riverside
Manchester
M3 5FT

The Directors
W H Ireland Limited
11 St James's Square
Manchester
M2 6WH

9 July 2004

Dear Sirs

Frenkel Topping Structured Settlements Limited

We report in connection with Forward Link plc's ("Forward Link" or "the Company") proposed placing of ordinary shares ("the Placing") and the admission to trading on the Alternative Investment Market ("AIM") of its ordinary share capital ("Admission"). This report has been prepared for inclusion in the prospectus dated 9 July 2004 ("the Prospectus").

Basis of preparation

The financial information set out below is based on the audited financial statements of Frenkel Topping Structured Settlements Limited ("FTSSL") for the three years ended 31 December 2003 after making such adjustments as we consider necessary. The financial statements for the two years ended 31 December 2002 were audited by Jack Ross and Co., Chartered Accountants who gave unqualified reports thereon. The financial statements for the year ended 31 December 2003 were audited by Baker Tilly, Chartered Accountants who gave an unqualified report thereon. No audited financial statements have been prepared in respect of any subsequent period.

Responsibility

The financial statements of FTSSL are the responsibility of the directors of FTSSL, who approved their issue. The Directors and Proposed Directors of Forward Link ("the Directors") are also responsible for the contents of the Prospectus in which this report is included.

It is our responsibility to compile the financial information set out below from the FTSSL's financial records and to make a report in accordance with paragraph 45 of Schedule 1 to the Public Offers of Securities Regulations 1995. Our work has been undertaken so that we might state those matters we are required to state in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone for any other purpose for our work, for this report or for the opinion we have formed.

Basis of Opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amount of and disclosures in the financial information. The evidence included that previously obtained during the audit of the financial statements underlying the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial statements and whether the accounting policies are appropriate to FTSSL's circumstances, consistently applied and adequately disclosed.

We planned and performed our work 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 information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information set out below, gives, for the purposes of the Prospectus, a true and fair view of the profits and losses, cash flows and recognised gains and losses of FTSSL for the three years ended 31 December 2003, and of the state of affairs of FTSSL for each of the periods then ended.

Profit and loss accounts

	Note	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Turnover	**2**	1,026,756	902,145	1,629,912
Cost of sales		(470,772)	(567,361)	(997,196)
Gross profit		555,984	334,784	632,716
Administrative expenses		(616,948)	(618,612)	(498,679)
Operating (loss)/profit	**3**	(60,964)	(283,828)	134,037
Interest payable and similar charges	**7**	(26,221)	(31,339)	(27,201)
(Loss)/profit on ordinary activities before taxation		(87,185)	(315,167)	106,836
Taxation on (loss)/profit on ordinary activities	**8**	-	(3,695)	-
Net (loss)/profit for the year	**16**	(87,185)	(318,862)	106,836

Turnover and operating (loss)/profit all derive from continuing operations.

Statement of total recognised gains and losses

There are no recognised gains or losses other than those stated above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheets

	Note	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Fixed assets				
Tangible assets	**9**	66,152	48,994	28,053
Current assets				
Stock	**10**	288,952	305,550	219,678
Debtors	**11**	288,582	252,150	215,146
Cash at bank		3,076	146	82,852
		580,610	557,846	517,676
Creditors: amounts falling due within one year	**12**	(743,117)	(1,059,487)	(845,065)
Net current liabilities		(162,507)	(501,641)	(327,389)
Total assets less current liabilities		(96,355)	(452,647)	(299,336)
Creditors: amounts falling due after more than one year	**13**	(271,161)	(233,731)	(280,206)
Net liabilities		(367,516)	(686,378)	(579,542)
Capital and reserves				
Called up share capital	**15**	1,200	1,200	1,200
Other reserves	**16**	22,097	22,097	22,097
Profit and loss account	**16**	(390,813)	(709,675)	(602,839)
Equity shareholders' funds	**16**	(367,516)	(686,378)	(579,542)

Cash flow statements

	Note	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Net cash (outflow)/inflow from operations	**17(a)**	(51,989)	(117,176)	188,769
Returns on investments and servicing of finance				
Interest paid		(26,221)	(31,339)	(27,201)
UK corporation tax paid		-	(3,695)	-
Capital expenditure and financial investment				
Purchase of tangible assets		(5,530)	(5,434)	(8,092)
Sale of tangible assets		-	-	7,499
Net cash outflow from capital expenditure		(5,530)	(5,434)	(593)
Net cash (outflow)/inflow before financing		(83,740)	(157,644)	160,975
Financing				
Repayment of short term bank loan		-	-	(223,054)
New loan		142,654	-	172,252
New short term bank loan		4,200	-	-
Other loan repayments		-	(10,242)	-
Capital element of finance lease rentals		-	(28,029)	(12,946)
Directors' loan advanced		-	-	241,340
Net cash inflow/(outflow) from financing		146,854	(38,271)	177,592
Increase/(decrease) in cash	**17(b)**	63,114	(195,915)	338,567

Notes to the financial information

1. Principal accounting policies

The following accounting policies have been applied consistently to the financial information throughout the period under review.

Basis of accounting

The financial information in this report has been prepared under the historical cost convention and in accordance with applicable accounting standards.

At 31 December 2003, the liabilities of FTSSL exceeded its assets. The Directors are seeking to raise approximately £264,500 under the Placing and have confirmed to the directors of FTSSL that if the Placing is successful, Forward Link will provide sufficient funds to FTSSL in order that it may continue to trade as a going concern for the next twelve months. The going concern concept of accounting has been applied on the assumption that there will be a successful outcome of the Placing.

Turnover

Turnover represents the amount of net commissions and fees, excluding value added tax, made during the year. Commission income is recognised on submission of a completed clients' application form and fees on the basis of invoices raised.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its estimated useful life. The rates of depreciation used were as follows:

Fixtures, fittings and equipment	15% straight line
Motor vehicles	25% straight line
Computer equipment	15% straight line

Leased assets and obligations

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet dates where transactions or events have occurred at that date which will result in an obligation to pay more, or a right to pay less or receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where replacement assets are sold.

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Stocks and work in progress

Work in progress, which reflects the amount of time incurred on specific ongoing cases, is calculated on the basis of expected sales less profit.

Pension contributions

The pension costs charged in the financial statements represent the contributions payable by FTSSL during the year.

2. Turnover

FTSSL's turnover is derived from its principal activity as a company wholly undertaken in the UK.

3. Operating (loss)/profit

This is stated after charging:

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Depreciation and other amounts written off in relation to tangible fixed assets	21,794	22,592	15,896
Loss on disposal of tangible fixed assets	-	-	5,637
Auditors' remuneration	4,500	4,000	6,000
Auditors' remuneration - non audit fees	-	2,000	4,500
Operating lease rentals:			
Motor vehicles	26,731	21,931	7,941

4. Employees

The average monthly number of persons, including directors, employed by FTSSL during the three years ended 31 December 2003 was:

	Year ended 31 December 2001 No.	Year ended 31 December 2002 No.	Year ended 31 December 2003 No.
Directors	6	4	3
Sales	4	5	4
Administration	14	14	9
	24	23	16

4. Employees (continued)

Staff costs for the above persons:

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Wages and salaries	594,856	765,641	973,104
Social security costs	83,095	60,564	78,732
Other pension costs	57,640	23,262	29,526
	735,591	849,467	1,081,362

5. Directors' remuneration

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Total aggregate emoluments for Directors	291,549	310,437	222,671
Amounts paid to money purchase pension schemes	5,980	5,313	3,210
	297,529	315,750	225,881
Emoluments of highest paid director	86,940	95,820	118,014
Company contributions to money purchase schemes	-	3,333	-

Two directors have retirement benefits accruing under the money purchase pension scheme (2002: two; 2001: two).

6. Pension costs

FTSSL operates a defined contribution pension scheme in respect of the directors and certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from FTSSL and amounted to £29,526 (2002: £23,262, 2001: £57,640).

7. Interest payable and similar charges

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Interest payable on bank loans and overdrafts	24,608	25,062	18,873
Interest on other loans	-	-	500
Hire purchase interest	1,613	2,569	2,004
Interest on overdue tax	-	3,708	5,824
	26,221	31,339	27,201

8. Tax on (loss)/profit on ordinary activities

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Current tax			
UK corporation tax on (loss)/profit of the period	-	-	-
Adjustment in respect of previous period	-	3,695	-
Tax on loss on ordinary activities	-	3,695	-

Factors affecting the tax charge for the year:

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
(Loss)/profit on ordinary activities before tax	(87,185)	(315,167)	106,836
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003: 19% 2002: 20%, 2001: 20%)	(17,437)	(63,033)	20,299
Effects of:			
Non deductible expenses	5,775	7,131	4,216
Adjustments to previous periods	-	3,695	-
Deferred tax	11,662	55,902	(384)
Utilisation of tax losses	-	-	(24,131)
Current tax charge for the period/year	-	3,695	-

9. Tangible fixed assets

	Motor vehicles £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost				
Brought forward	10,755	52,844	35,969	99,568
Additions	18,395	-	9,204	27,599
At 31 December 2001	29,150	52,844	45,174	127,168
Additions	-	-	5,432	5,432
At 31 December 2002	29,150	52,844	50,606	132,600
Additions	-	-	8,092	8,092
Disposals	(29,150)	-	-	(29,150)
At 31 December 2003	-	52,844	58,698	111,542
Depreciation				
Brought forward	672	23,550	14,999	39,221
Charge for the period	8,054	7,926	5,814	21,794
At 31 December 2001	8,726	31,476	20,812	61,014
Charge for the year	7,287	7,927	7,378	22,592
At 31 December 2002	16,014	39,403	28,190	83,607
Charge for the year	-	7,700	8,196	15,896
On disposals	(16,014)	-	-	(16,014)
At 31 December 2003	-	47,103	36,386	83,489
Net book value				
As at 31 December 2001	20,424	21,368	24,362	66,154
As at 31 December 2002	13,136	13,441	22,416	48,994
As at 31 December 2003	-	5,741	22,312	28,053

Included in the above are assets held under finance leases or hire purchase contracts as follows:

	As at 31 December 2001		As at 31 December 2002		As at 31 December 2003	
Asset description	**NBV**	**Depreciation**	**NBV**	**Depreciation**	**NBV**	**Depreciation**
Computer equipment	7,060	227	6,001	1,059	4,942	1,059
Motor vehicles	20,424	8,054	13,137	7,287	-	-
	27,484	8,281	19,138	8,346	4,942	1,059

10. Stocks and work in progress

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Work in progress	288,952	305,550	219,678

11. Debtors

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Trade debtors	92,057	168,245	182,514
Amounts owed by connected parties (see note 20)	125,452	-	-
Other debtors	58,274	51,068	20,036
Prepayments and accrued income	12,799	32,837	12,596
	288,582	252,150	215,146

12. Creditors: amounts falling due within one year

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Bank overdrafts	62,876	255,861	-
Bank loan	4,200	4,200	142,252
Net obligations under finance leases and hire purchase contracts	10,243	9,402	2,466
Trade creditors	102,912	47,053	97,405
Amounts owed to connected parties (see note 20)	335,693	320,665	243,838
Corporation tax	3,700	3,253	3,253
Other taxation and social security costs	87,823	187,925	169,267
Other creditors	38,759	28,775	-
Accruals and deferred income	96,911	202,353	186,584
	743,117	1,059,487	845,065

13. Creditors: amounts falling due after more than one year

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Bank loans	193,428	188,855	-
Directors' loans	62,322	38,866	280,206
Net obligations under finance leases and hire purchase contracts	15,411	6,010	-
	271,161	233,731	280,206
Loan maturity analysis			
In one year or less	4,200	4,200	142,252
In more than one year but less than two years	4,200	4,200	-
In two to five years	69,228	57,521	280,206
In more than five years	182,322	166,000	-
	259,950	231,921	422,458
Repayable in five years or more:			
Bank loan	120,000	166,000	-
Directors' loan	62,322	-	-
	182,322	166,000	-

The bank loan and overdraft are secured by a charge over the assets of FTSSL. The obligations under finance leases and hire purchase contracts are secured by the assets relevant to the contracts.

Net obligations under finance leases and hire purchase contracts			
Repayable within one year	10,243	9,402	2,466
Repayable between one and five years	15,411	6,010	-
	25,654	15,412	2,466

14. Provision for deferred taxation

Deferred taxation is provided as follows:

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Opening provision	-	-	-
Accelerated capital allowances	3,415	1,574	1,892
Tax losses carried forward	(3,415)	(1,574)	(1,892)
Closing provision	-	-	-

15. Called up share capital

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Authorised			
1,200 Ordinary shares of £1 each	1,200	1,200	1,200
Allotted, issued and fully paid			
1,200 Ordinary shares of £1 each	1,200	1,200	1,200

16. Reconciliation of equity shareholders' funds and movements on reserves

	Share capital £	Other reserve £	Profit and loss account £	Total shareholders' funds £
At 1 January 2001	1,200	22,097	(303,628)	(280,331)
Loss for the year	-	-	(87,185)	(87,185)
At 31 December 2001	1,200	22,097	(390,813)	(367,516)
Loss for the year	-	-	(318,862)	(318,862)
At 31 December 2002	1,200	22,097	(709,675)	(686,378)
Profit for the year	-	-	106,836	106,836
At 31 December 2003	1,200	22,097	(602,839)	(579,542)

17. Cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities:

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Operating (loss)/profit	(60,964)	(283,828)	134,037
Depreciation	21,796	22,592	21,533
(Increase)/decrease in debtors	(60,488)	35,985	37,004
Increase/(decrease) in creditors	78,430	124,673	(89,677)
(Increase)/decrease in stocks	(30,763)	(16,598)	85,872
	(51,989)	(117,176)	188,769

17. Cash flows (continued)

(b) Reconciliation of net cash flow to movement in net debt

	Year ended 31 December 2001 £	Year ended 31 December 2002 £	Year ended 31 December 2003 £
Increase/(decrease) in cash in the period	63,114	(195,915)	338,567
Cash (outflow)/inflow from increase in debt and lease finance	(146,854)	38,271	(177,592)
	(83,740)	(157,644)	160,975
New finance leases and hire purchase contracts	(22,069)	-	-
Movement in net debt	(105,809)	(157,644)	160,975
Opening net debt	(239,595)	(345,404)	(503,048)
Closing net debt	(345,404)	(503,048)	(342,073)

(c) Analysis of debt

	Opening Balance £	Cash Flows £	Other Changes £	Closing Balance £
Net cash at 1 January 2001:				
Cash at bank and in hand	331	2,745	-	3,076
Overdrafts	(123,245)	60,369	-	(62,876)
	(122,914)	63,114		(59,800)
Debt:				
Bank and other loans:				
Debts falling due within 1 year	-	(4,200)	-	(4,200)
Debts falling due after 1 year	(113,096)	(142,654)	-	(255,750)
Finance leases and hire purchase contracts	(3,585)	-	(22,069)	(25,654)
	(116,681)	(146,854)	(22,069)	(285,604)
	(239,595)	(83,740)	(22,069)	(345,404)
Net cash at 1 January 2002:				
Cash at bank and in hand	3,076	(2,930)	-	146
Overdrafts	(62,876)	(192,985)	-	(255,861)
	(59,800)	(195,915)	-	(255,715)
Debt:				
Bank and other loans:				
Debts falling due within 1 year	(4,200)	-	-	(4,200)
Debts falling due after 1 year	(255,750)	28,028	-	(227,721)
Finance leases and hire purchase contracts	(25,654)	10,242	-	(15,412)
	(285,604)	38,271	-	(247,333)
Net Debt at 31 December 2002	(345,404)	(157,644)	-	(503,048)

17. Cash flows (continued)

(c) Analysis of debt (continued)

	Opening Balance £	Cash Flows £	Other Changes £	Closing Balance £
Net cash at 1 January 2003:				
Cash at bank and in hand	146	82,706	-	82,852
Overdrafts	(255,861)	255,861	-	-
	(255,715)	338,567	-	82,852
Debt:				
Bank and other loans:				
Debts falling due within 1 year	(4,200)	50,803	(188,855)	(142,252)
Debts falling due after 1 year	(227,721)	(241,340)	188,855	(280,206)
Finance leases and hire purchase contracts	(15,412)	12,946	-	(2,466)
	(247,333)	(177,591)	-	(424,924)
Net Debt at 31 December 2003	(503,048)	160,976	-	(342,072)

18. Commitments under operating leases

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Other:			
Expiring in the second to fifth year	1,517	5,282	10,350

19. Transactions with directors

FTSSL made an interest free loan to R C Fraser as follows:

	As at 31 December 2001 £	As at 31 December 2002 £	As at 31 December 2003 £
Balance due	37,791	31,032	-
Maximum balance in year	37,791	37,791	31,032

20. Related party transactions

FTSSL's directors are also directors of Frenkel Topping Limited with whom FTSSL shares offices and labour resources. During the year ended 31 December 2003, FTSSL incurred various recharges amounting to £448,187 which passed through the inter company loan account, against which it paid £525,000 during the year. At the year end FTSSL owed £243,831 (2002: £320,644, 2001: £304,213) to Frenkel Topping Limited which is included in creditors.

All the directors are partners in Frontier Properties who act as managing agents for Winterthur Pension Trustees UK Limited, in relation to an informal lease under which FTSSL occupies its offices. During the year ended 31 December 2003, FTSSL incurred costs in connection with the occupation of the offices amounting to £23,513 (2002: £27,381, 2001: £56,037). At the year end there was no outstanding balance (2002: £nil, 2001: £38,408 owed to Frontier Properties).

FTSSL's directors are also directors of Frenkel Topping (US) Limited and Mainstay Life Services Limited which up to 31 December 2002, were subsidiaries of Frenkel Topping Limited. During the year ended 31 December 2001, the balance due from Frenkel Topping (US) Limited and Mainstay Life Services Limited was £77,012 and £48,440 respectively.

J R Frenkel is the sole proprietor of Frenkels, a chartered accountancy practice. At the year ended 31 December 2001, FTSSL was owed £3,044. J R Frenkel was a partner in Frenkel Topping, a chartered accountancy practice. At the year ended 31 December 2001, FTSSL was owed £3,884.

Included within bad debts at 31 December 2003 is an amount of £2,077 (2002: £12,226, 2001 nil), owed from Frenkel Topping (US) Limited, a company controlled by the directors, which was written off after it ceased trading.

21. Nature of financial information

The financial information presented in respect of the three years ended 31 December 2003 does not constitute statutory accounts for each of the periods. Statutory accounts for the three years ended 31 December 2003 have been delivered to the Registrar of Companies. In respect of the statutory accounts for the year to 31 December 2003 we, Baker Tilly, Chartered Accountants, have made an unqualified report under Section 235 of the Companies Act 1985 and such report did not contain any statement under Section 237(2) or (3) of that Act. In respect of the statutory accounts for the years ended 31 December 2001 and 31 December 2002 Jack Ross & Co, Chartered Accountants, have made unqualified audit reports under Section 235 of the Companies Act 1985 and such report did not contain any statement under Section 237(2) or (3) of that Act.

22. Consent

We consent to the inclusion of this report in the Prospectus dated 9 July 2004 and accept responsibility for this report for the purposes of paragraph 45 of Schedule 1 to the Public Offers of Securities Regulations 1995.

Yours faithfully

Baker Tilly
Registered Auditor
Chartered Accountants
Manchester

PART V

ACCOUNTANTS' REPORT ON FORWARD LINK PLC

BAKER TILLY

9 July 2004

The Directors and Proposed Directors
Forward Link plc
3 Ralli Courts
West Riverside
Manchester
M3 5FT

The Directors
W H Ireland Limited
11 St James's Square
Manchester
M2 6WH

Dear Sirs

Forward Link plc

We report in connection with Forward Link plc's ("Forward Link" or "the Company") proposed placing of ordinary shares ("the Placing") and the admission to trading on the Alternative Investment Market ("AIM") of its ordinary share capital ("Admission"). This report has been prepared for inclusion in the prospectus dated 9 July 2004 ("the Prospectus").

Introduction

The Company was incorporated in England and Wales on 8 April 2003 with company number 4726826 under the name WC Co (4) Limited. On 8 July 2003 the name of the Company was changed to Forward Link Limited. On 29 January 2004 the Company re-registered as a public limited company.

On incorporation, the Company had an authorised share capital of £1,000 divided into 1,000 ordinary shares of £1 each of which one subscriber share was issued.

On 27 January 2004 the Company sub-divided each of its existing authorised shares, whether issued or unissued, into 20,000 ordinary shares of 0.005p each. The authorised share capital was then increased to £250,000 by the creation of 3,980,000,000 ordinary shares of 0.005p each and 50,000 redeemable shares of £1 each.

On 27 January 2004 the Company issued 50,000 redeemable shares of £1 each (one quarter paid)

On 17 February 2004 the Company increased its authorised share capital to £350,000 by the creation of 2,000,000,000 Ordinary shares of 0.005p each.

On 17 February 2004 the Company issued 13,980,000 ordinary shares of 0.005p each at par.

On 3 June 2004 the Company issued and allotted 23,000,000 ordinary shares of 0.005p at 5p per share under an offer for subscription.

On 3 June 2004 the Company made a bonus issue of 40 ordinary shares of 0.005p for every ordinary share of 0.005p held and subsequently consolidated every 100 shares of 0.005p each into 1 share of 0.5p, the authorised share capital now being 60,000,000 ordinary shares at 0.5p.

The Company has not traded, prepared any financial statements for presentation to members, incurred neither profit nor loss, and has neither declared nor paid dividends or made any other distributions since the date of incorporation. There have been no transactions other than the allotment of shares described herein and the execution of the material contracts referred to in paragraph 12 of Part VI of the Prospectus. Accordingly, no profit and loss account information is presented in this report.

Basis of Preparation of Financial Information

The financial information set out below has been extracted from the financial records of the Company for the period from 8 April 2003 to 19 June 2004, no adjustments being considered necessary. No audited financial statements have been prepared for submission to members in respect of any period since incorporation.

Responsibility

The financial records are the responsibility of the directors of the Company ("the Directors"). The Directors are responsible for the contents of the Prospectus in which this report is included. It is our responsibility to compile the financial information set out in this report and to form an opinion on the financial information and report our opinion to you.

Basis of Opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial statements underlying the financial information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work 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 information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion the financial information set out below gives for the purpose of the Prospectus a true and fair view of the state of affairs of the Company as at 19 June 2004.

Balance sheet

	Note	As at 19 June 2004 £
Current assets		
Cash at bank		1,127,300
Creditors: amounts falling due within one year	**2**	(76,600)
Net assets		1,050,700
Capital and reserves		
Called up share capital	**3**	75,850
Share premium account	**4**	974,850
Equity shareholders' funds		1,050,700

Notes to the financial information

1. Basis of accounting

The financial information in this report has been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

2. Creditors: amounts falling due within one year

	As at 19 June 2004 £
Issue costs	76,600
	76,600

3. Share capital

	As at 19 June 2004 £
Authorised	
60,000,000 Ordinary shares of 0.5p each	300,000
50,000 redeemable shares of £1 each	50,000
	350,000
Allotted, issued and fully paid	
15,170,000 Ordinary shares of 0.5p each	75,850

4. Share premium account

	As at 19 June 2004 £
Arising on issue of 23,000,000 Ordinary shares of 0.005p at 5p per share	1,148,850
Issue costs of ordinary and redeemable shares	(100,000)
Bonus issue	(74,000)
	974,850

5. Post balance sheet events

Pursuant to the Brearley's Placing Letter, the Company has agreed to issue 3,428,572 ordinary shares of 0.5p each at 17.5p per share under a placing, conditional upon the acquisition of FTL and FTSSL.

Apart from this transaction the Company has not entered into any other transaction since the balance sheet date.

6. Consent

We consent to the inclusion in the Prospectus of this report and accept responsibility for the report for the purposes of paragraph 45(8)(b) of Schedule 1 to the Public Offers of Securities Regulations 1995.

Yours faithfully

Baker Tilly
Chartered Accountants
Registered Auditor

PART VI

ILLUSTRATIVE PRO FORMA STATEMENT OF NET ASSETS OF THE GROUP

The following unaudited pro forma statement of net assets of the Group has been prepared to illustrate the impact of the Acquisition, the Placing and the placing pursuant to the Brearley's Placing Letter on the net assets of the Group as if the transactions had taken place on 31 December 2003. The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and should be read in conjunction with the notes set out below. Because of its nature, it may not give a true picture of the financial position of the Group.

	Forward Link Note 1 £'000	**FTL Note 2 £'000**	**FTSSL Note 3 £'000**	**Adjustments Note 4 £'000**	**Pro forma net assets £'000**
Fixed assets					
Intangible	-	20	-	-	20
Tangible	-	150	28	-	178
	-	170	28	-	198
Current assets					
Stock	-	300	220	-	520
Debtors	-	605	215	(244)	576
Cash at bank and in hand	1,127	-	83	415	1,625
	1,127	905	518	171	2,721
Creditors: amounts falling due within one year	(77)	(807)	(845)	244	(1,485)
Net current assets/(liabilities)	1,050	98	(327)	415	1,236
Total assets less current liabilities	1,050	268	(299)	415	1,434
Creditors: amounts falling due after more than one year	-	(148)	(280)	-	(428)
Provision for liabilities and charges	-	(12)	-	-	(12)
Net assets	1,050	108	(579)	415	994

Notes:

1. The amounts of Forward Link have been extracted without material adjustment from the Accountants' Report set out in Part V of this document.
2. The amounts of Frenkel Topping Limited as at 31 December 2003 have been extracted without material adjustment from the Accountants' Report set out in Part III of this document.
3. The amounts of Frenkel Topping Structures Settlements Limited as at 31 December 2003 have been extracted without material adjustment from the Accountants' Report set out in Part IV of this document.
4. The adjustments comprise:
    a) the cancellation of an intra-group balance of £244,000 owed by FTSSL to FTL.
    b) the issue by the Company conditional on Acquisition of 3,428,572 Ordinary Shares at 17.5p per share, and the issue of 551,042 Ordinary Shares of 48p per share to give net proceeds of £415,000.

PART VII

ADDITIONAL INFORMATION

1. Responsibility

The Directors and the Proposed Directors, whose names appear on page 9 of this document and in paragraph 4 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Company and the Group

2.1 The Company was incorporated under the Act and registered in England and Wales on 8 April 2003 with registered number 4726826 as a private limited company with the name WC Co (4) Limited. The liability of the members of the Company is limited.

2.2 The registered office and principal place of business of the Company is 3 Ralli Courts, West Riverside, Manchester M3 5FT. Upon completion of the Proposals the registered office and place of business of the Company will change to Frontier House, Merchants Quay, Salford Quays, Manchester M50 3SR.

2.3 On 8 July 2003 WC Co (4) Limited changed its name to Forward Link Limited.

2.4 On 29 January 2004, the Company re-registered as a public limited company under the name Forward Link plc.

2.5 The Company's principal objects and activities are to carry on business as a general commercial company. The objects of the Company are set out in full in clause 4 of its Memorandum of Association.

2.6 Upon Admission the Company will be the direct holding company of the following subsidiaries;

2.6.1 Frenkel Topping Limited (Company Number 02312427). Its issued share capital is £72,000 made up of 72,000 ordinary shares of £1 each of which on Admission 47,638 will be beneficially owned by the Company;

2.6.2 Frenkel Topping Structured Settlements Limited (Company Number 02525306). Its issued share capital is £1,200 made up of 1,200 ordinary shares of £1 each of which on Admission 794 will be beneficially owned by the Company.

2.7 The Company has resolved conditionally to change its name to Frenkel Topping Group Plc.

3. Share Capital

3.1 At the date of its incorporation, the authorised share capital of the Company was £1,000 divided into 1,000 ordinary shares of £1 each of which one subscriber share was in issue, fully paid.

3.2 On 27 January 2004 the subscriber share was transferred to Richard Ian Hughes.

3.3 By way of resolutions dated 27 January 2004 it was resolved that:

3.3.1 the existing issued ordinary shares and each of the existing un-issued ordinary shares of £1 each in the capital of the Company be sub-divided into 20,000 ordinary shares of 0.005p each;

3.3.2 the authorised share capital of the Company be increased from £1,000 to £250,000 by the creation of 3,980,000,000 ordinary shares of 0.005p each and 50,000 redeemable shares of £1 each in the capital of the Company each having the rights and being subject to the restrictions set out in the Articles of Association as adopted by the resolutions;

3.3.3 the Directors were generally and unconditionally authorised (in substitution for the authority conferred on them by the existing articles of association of the Company) to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 of the Act) up to an aggregate nominal amount equal to the nominal amount of the authorised but unissued share capital of the Company immediately following the passing of the resolution of PROVIDED THAT the authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the date which is five years after the date of passing the resolution, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred had not expired;

3.3.4 the Directors were empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94 of the Act) for cash pursuant to the authority conferred by the resolution referred to at paragraph 3.3.3 of Part VI above as if Section 89(1) of the Act did not apply to any such allotment; and

3.3.5 the current Articles were adopted.

3.4 On 27 January 2004 the Company issued 50,000 Redeemable Shares of £1 each, one quarter paid to Zeus Partners of which Richard Ian Hughes is a partner.

3.5 On 17 February 2004 it was resolved that:

3.5.1 the authorised share capital of the Company be increased from £250,000 to £350,000 by the creation of 2,000,000,000 ordinary shares of 0.005p each having the rights and being subject to the restrictions set out in the articles of association;

3.5.2 the Directors of the Company were authorised generally and unconditionally to exercise all powers of the Company pursuant to Section 80 of the Act to allot relevant securities (as defined by sub-section (2) of that Section) up to an aggregate nominal value equal to the nominal amount of the authorised but unissued share capital of the company immediately following the passing of the Resolution, PROVIDED THAT this authority, unless renewed, shall expire on the day before the fifth anniversary of the passing of the Resolution save, that the Company may before such authority expires make any offer, agreement or arrangement which would or might require relevant securities to be allotted after such authority expires and the Directors may allot the relevant securities, in pursuant of any such offer, agreement or other arrangement as if the authority conferred hereby had not expired;

3.5.3 the Directors were empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94 of the Act) for cash pursuant to the authority conferred by the resolution referred to at paragraph 3.5.2 of Part VI above as if Section 89(1) of the Act did not apply to any such allotment.

3.6 On 17 February 2004, the Company issued 13,980,000 ordinary shares of 0.005p each for cash at par.

3.7 On 3 June 2004 the Company issued and allotted 23,000,000 ordinary shares of 0.005p at 5p per share under an offer for subscription.

3.8 The 50,000 redeemable shares of £1 each were fully paid up following the closing of the offer for subscription and were redeemed by the Company on 3 June 2004 out of the proceeds of the offer for subscription and were subsequently cancelled.

3.9 On 3 June 2004 the Company made a bonus issue of 40 ordinary shares of 0.005p each, paid up, for every ordinary share of 0.005p held and subsequently consolidated every 100 ordinary shares of 0.005p each into 1 ordinary share of 0.5p.

3.10 Pursuant to the Brearley's Placing Letter James Brearley & Sons Limited agreed in a letter of confirmation dated 30 June 2004 to subscribe for, and the Company agreed to issue and allot, in both cases conditionally upon the Acquisition, 3,428,572 Ordinary Shares for a total subscription price of £600,000.

3.11 The Proposals will entail the Company allotting a further 27,001,042 New Ordinary Shares (assuming the Placing is fully subscribed).

3.12 Share capital of the Company

3.12.1 The authorised and issued share capital of the Company at the date of this document are as follows:

	Number of Ordinary Shares	*Nominal value*	*Number of Redeemable Shares*	*Nominal value*
Authorised share capital	60,000,000	£300,000	50,000	£50,000
Issued and fully paid up share capital	15,170,000	£75,850	Nil	Nil

3.12.2 The authorised and issued share capital of the Company following Admission will be as follows:

	Number of Ordinary Shares	*Nominal value*	*Number of Redeemable Shares*	*Nominal value*
Authorised share capital	60,000,000	£300,000	50,000	£50,000
Issued and fully paid up share capital	45,599,613	£227,998.06	Nil	Nil

3.13 Save as referred to in this paragraph 3 and paragraph 5.5 of this Part VII, no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

3.14 The Company intends to adopt (acting through the Board) an Enterprise Management Incentive Share Option Scheme and/or an Unapproved Share Option Scheme at the earliest opportunity. These schemes will be used to reward and incentivise employees of the Group. Initially grants of options are intended to be made to existing employees of FTL and FTSSL over not exceeding 3% of the enlarged ordinary share capital assuming completion of the Proposals. Exercise of these options will not be permitted until the third anniversary of admission and then only on a phased basis. Exercise will be conditional on the optionholder remaining in the Group's employment. The price payable on the exercise of these options will be 0.5p per share.

4. Directors and Proposed Directors

4.1 Other than their directorships or proposed directorships of the Company, the current directorships and partnerships of the Directors and the Proposed Directors and directorships and partnerships held by them over the previous five years are as follows:

Directorships and Partnerships

Name	Age	Current	Previous
Proposed Directors			
David Robert Southworth *Non-executive Chairman*	***55***	B*urtonwood Brewery Plc* *Delineo Limited* *The Rothwell Company Limited* *Recite Group Limited* *Speed 9683 Limited* *CSOLS Plc* *Delineo (Yorkshire) Limited* *Portfolion Art & Design Limited* *Recite Limited*	*Training International Limited* *Portfolio Computer Recruitment Limited* *Myriad Appointments (London) Limited* *Myriad Appointments (Reading) Limited* *Myriad Technical Appointments (London) Limited* *Myriad Appointments (Bristol) Limited* *Myriad Computer Services Limited* *Hays Personnel (Managed Solutions) Limited* *Computers for Business (SC) Limited* *QA Scotland Limited* *Global IT Skills Limited* *Skillsgroup Holdings Limited* *QA Plc* *Skillsgroup Holdings No. 2 Limited* *Avansar Limited* *QA Services (No. 2) Limited* *QA Global Limited*

Name	Age	Current	Previous
Proposed Directors			
David Robert Southworth *(continued)*			*QA IT Services Limited* *Knowledge Centre Limited* *QA Holdings Limited* *QA Global.com Limited* *QA Skills Limited* *QA Group Limited* *QA Skillsgroup Limited* *QA Training Limited* *QA Knowledge Management Limited* *Skillsgroup Limited* *QA Learning Solutions Limited* *QA (No. 1) Limited* *QA Services No. 1 Limited* *QA Resources Limited* *GA Information Services Limited* *GA Information Systems Limited* *Pontis Consulting Limited* *Wockhardt UK Limited* *Skillsgroup Holdings Limited*
Davic Vincent Hannis *Non-executive Director*	***41***	*James Brearley & Sons Limited* *James Brearley ISA Nominees Limited* *Walpole St. Andrew Nominees Limited* *James Brearley Crest Nominees Limited* *James Brearley Option Nominees Limited* *James Brearley P.E.P. Nominees Limited* *Nichols Williams Durrant & Co. Limited* *NWD Limited*	*None*
Richard Cullen Fraser *Managing Director*	***44***	*Frenkel Topping Limited* *Frenkel Topping Structured Settlements Limited* *Fourth Age Limited* *Retirement Options Limited* *Carer Directory Limited* *Structures Direct Limited* *Structured Settlements Direct Limited* *Mainstay Life Services Limited* *Frenkel Topping (US) Limited* *Frenkel Topping (IMS) Limited*	*None*
Stephen Ashcroft *Commercial Director*	***48***	*Frenkel Topping (US) Limited* *Gainsborough House (Sale) Residents Company Limited* *Frenkel Topping Limited* *Frenkel Topping Structured Settlements Limited* *Retirement Options Limited* *Frenkel Topping Financial Services Limited* *Morris Homes (UK) Limited*	*None*

Name	Age	Current	Previous
Directors			
Richard Ian Hughes *Non-executive Chairman*	***36***	*Alchemy Venture Partners Limited* *Cityblock plc* *Compass Finance Group plc* *Crucial Plan plc* *Dakarts Limited* *Education Solutions Speke Limited* *Equity Solutions (Manchester) Limited* *Equity Solutions LIFT Investments Limited* *Equity Solutions GP Limited* *Eternal Time Limited* *Grand Banner plc* *Little Duty Limited* *Primary Care Properties Limited* *Primary Care Properties Bloxwich Limited* *Trade Flair plc* *Titan Move plc* *Zeus Capital Limited* *Zeus Capital Holdings Limited* *Zeus Partners* *Zeus Partners Limited* *Zeus Partners Investments Limited* *Zeus Management Services Limited* *Zeus Property Investments Limited* *Zeus Securities Limited* *1st Health Solutions Limited*	*Altium Capital Limited* *Christy Homes Textiles Limited* *Equity Solutions Offshore Properties Limited Partnership* *Platinum Shield plc* *Smart Motive plc* *Station Plan plc* *Stepquick plc*
Norman Molyneux *Executive Director*	***48***	*Acceleris Corporate Ventures Limited* *Added Value Accounting Consultancy Limited* *Bradford Medical Devices Limited* *Bradford Sling Limited* *Clavitron (Nominees) Limited* *Crucial Plan plc* *Douglas Valley Properties Limited* *Grand Banner plc* *Ipereon (Holdings) Limited* *Platinum Shield plc* *Redimove Limited* *Taskcatch plc* *Titan Move plc* *Trade Flair plc* *Transform Scientific Developments Limited*	*Cityblock plc* *Dollsome Leisure Limited* *Readybuy plc* *Readymarket plc* *Readymatch plc* *Smart Motive plc* *Sound Growth Plc* *Station Plan plc* *Stepquick plc*

4.2 The business address of each of the Directors is 3 Ralli Courts, West Riverside, Manchester, M3 5FT and for the Proposed Directors is Frontier House, Merchants Quay, Salford Quays, Manchester M5 6FW.

4.3 Save as disclosed in this document, as at the date of this document, none of the Directors or the Proposed Directors has:

4.3.1 any unspent convictions in relation to indictable offences; or

4.3.2 been declared bankrupt or made any individual voluntary arrangement; or

4.3.3 been a director of a company at the time of or within the twelve months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, voluntary arrangement or any composition or arrangement with creditors generally or any class of creditors; or

4.3.4 been a partner or in a partnership at the time of or within the twelve months preceding the partnership being subject to a compulsory liquidation, administration or partnership voluntary arrangement; or

4.3.5 had any asset subject to receivership or been a partner of any partnership at the time of or within the twelve months preceding any asset of such partnership being subject to a receivership; or

4.3.6 been subject to any public criticism by statutory or regulatory authorities (including recognised professional bodies), nor disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

5. Directors, Proposed Directors and Other Interests

5.1 The interests of the Directors and the Proposed Directors in the share capital of the Company, all of which are beneficial, as notified to the Company pursuant to section 324 or 328 of the Act, as they appear or will appear in the register of directors' interests required pursuant to section 325 of the Act, or which are interests of persons connected with the Directors and the Proposed Directors (within the meaning of section 346 of the Act) as at the date of this document and immediately following Admission (assuming full take-up of the Placing) are and will be as follows:

	As at the date of this document		*As at Admission **	
	Number of Ordinary Shares	*Percentage of issued Ordinary Share capital*	*Number of Ordinary Shares*	*Percentage of issued Ordinary Share capital*
Richard Ian Hughes**	2,287,260	15.07%	2,287,260	5.02%
Richard Cullen Fraser	Nil	Nil	12,433,348	27.27%
Stephen Ashcroft	Nil	Nil	12,954,181	28.41%
David Southworth	200,000	1.32%	200,000	0.44%
Norman Molyneux	Nil	Nil	Nil	Nil
David Hannis	Nil	Nil	Nil	Nil

* These numbers and percentages are calculated assuming that the Placing is fully subscribed.

** Richard Ian Hughes, Ian William Currie and Keith William Salisbury, who are connected persons, being partners of Zeus Partners, hold an aggregate of 5,082,800 Ordinary Shares representing approximately 33.52 per cent. of the issued share capital of the Company at the date of this document and approximately 11.15 per cent of the issued share capital of the Company as at Admission (assuming the Placing is fully subscribed).

5.2 Save as disclosed above, the Directors and the Proposed Directors are not aware of any interests of persons connected with them which would, if such connected person were a director, be required to be notified to the Company pursuant to section 324 or section 328 of the Act and would be required to be entered in the register of directors' interests pursuant to section 325 of the Act.

5.3 Other than as set out below, the Company is not aware of any person, other than the Directors and the Proposed Directors and their immediate families, who immediately following Admission will, directly or indirectly, be interested in 3 per cent. or more of the share capital of the Company or who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

	As at the date of this document		*As at Admission **	
	Number of Ordinary Shares	*Percentage of issued Ordinary Share capital*	*Number of Ordinary Shares*	*Percentage of issued Ordinary Share capital*
Ian William Currie**	2,287,260	15.07%	2,287,260	5.02%
Keith William Salisbury**	508,280	3.35%	508,280	1.11%
James Brearley & Sons Limited	Nil	Nil	3,428,572	7.52%
Giltspur Nominees Limited	2,255,000	14.86%	2,255,000	4.94%

* These numbers and percentages are calculated assuming that the Placing is fully subscribed.

** Richard Ian Hughes, Ian William Currie and Keith William Salisbury, who are connected persons, being partners of Zeus Partners, hold an aggregate of 5,082,800 Ordinary Shares representing approximately 27.33 per cent. of the issued share capital of the Company at the date of this document and approximately 11.15 per cent of the issued share capital of the Company as at Admission (assuming the Placing is fully subscribed).

5.4 Save as disclosed above, none of the Directors or the Proposed Directors has any interest, beneficial or non-beneficial, in the share or loan capital of the Company.

5.5 Zeus Partners (a partnership in which Richard Ian Hughes, a director of the Company, is a partner) have been granted options to acquire from Richard Cullen Fraser, Stephen Ashcroft and Nick Leech up to 12,433,348, 12,954,181 and 1,062,471 Ordinary Shares, respectively, together with, *inter alia*, any ordinary shares issued to them by reason of their holding of such Ordinary Shares. The options are exercisable in the event that within 3 years of Completion, the person granting the respective option ceases to be employed by the Company in certain circumstances which deem the grantor of the option a "Bad Leaver". In respect of Richard Cullen Fraser and Stepehen Ashcroft where they are deemed to be "Good Leavers" and in the case of Nicholas Leech where his cessation is performance related the option only relates to 50 per cent. of their shares. The options are freely assignable and exercisable at par per share.

5.6 Save as set out below, no Director or Proposed Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Group and no contract or arrangement exists in which a Director or a Proposed Director is materially interested and which is significant in relation to the business of the Group. David Vincent Hannis is a director and shareholder of James Brearley & Sons Limited with which FTL has a trading agreement. Richard Ian Hughes is a partner in Zeus Partners which has a consultancy agreement with the Company further details of which are set out in paragraph 6.1 below.

5.7 There are no outstanding loans granted by the Group to any of the Directors or the Proposed Directors, nor are there any guarantees provided by the Group for their benefit.

5.8 W. H. Ireland is interested in 157,200 Ordinary Shares at the date of this document representing 1.04 per cent. of the Existing Ordinary Shares.

5.9 As at the date of this document:-

5.9.1 Neither of the Directors owns, controls or is interested in any shares in FTL or FTSSL and neither of them has dealt for value in any shares of FTL or FTSSL during the 12 months prior to the date hereof;

5.9.2 Neither FTL nor FTSSL owns or controls or is interested in any shares in the issued share capital of the Company and neither of FTL and FTSSL has dealt for value in any ordinary shares in the Company from incorporation to 8 July 2004 (the latest practicable date prior to the publication of this document);

5.9.3 the directors of FTL and FTSSL do not own or control and are not interested in any Ordinary Shares; neither have the directors of FTL and FTSSL dealt in any shares of the Company;

5.9.4 Richard Cullen Fraser and Stephen Ashcroft who are the directors of FTL and FTSSL, are interested in 45,838 Ordinary Shares in FTL (representing approximately 63.6 per cent of the entire issued share capital of FTL) and 764 Ordinary Shares in FTSSL (representing approximately 63.6 per cent. of the entire issued share capital of FTSSL);

5.9.5 Save for David Southworth who acquired 200,000 Ordinary Shares for £24.39 on 29 June 2004, none of the Proposed Directors nor any member of the Concert Party is interested in any Ordinary Shares or has dealt for value in any Ordinary Shares from incorporation of the Company to the date of publication of this document; and

5.9.6 the Company is not interested in any shares in FTL or FTSSL and has never dealt for value therein.

5.10 As at the date of this document, the directors of FTL and FTSSL are Richard Cullen Fraser and Stephen Ashcroft of Frontier House, Merchants Quay, Salford Quays, Manchester M5 6FW.

5.11 Save as disclosed at paragraph 5.5 of this Part VII of this document, there are no agreements, arrangements or understandings existing between the Vendors, or any person acting in concert with the Vendors or, any of the directors, shareholders or recent shareholders of Forward Link which have any dependence upon the Proposals.

5.12 Save as disclosed at paragraph 5.5 of this Part VII of this document, there is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Ordinary Shares will be transferred to any other person.

5.13 Save as set out below, the Directors and the Proposed Directors have not dealt for value in the ordinary shares of the Company from the date of incorporation to the date of publication of this document.

During the six months prior to the date of this document the following transaction in the issued share capital of the Company took place; by a transfer dated 27 January 2004 Zeus Partners transferred the original subscriber share of £1 to Richard Hughes in consideration for Mr Hughes adopting the obligation to pay up the share; by a transfer dated 29 June 2004 Ian William Currie transferred 200,000 Ordinary Shares to David Robert Southworth for a consideration of £24.39.

5.14 Save as disclosed at paragraph 5.1 of this Part VII of this document, neither the Directors, Proposed Directors, nor any pension fund of Forward Link or bank, financial or other professional advisers (including stockbrokers) to Forward Link (other than exempt market makers) or person controlling, controlled by or under the same control as such banks, financial and other professional advisers controls or is interested in (beneficially or otherwise) any relevant securities in Forward Link as at the date of this document.

5.15 There are no financing agreements or arrangements in place between FTL and/or FTSSL and the Company which depend to a significant extent on the business of the Company.

6. Directors' and Proposed Directors' Service Contracts and Letters of Appointment

6.1 The Company has entered into a consultancy agreement with Zeus Partners dated 17 February 2004 under which Zeus has agreed to provide the Company with consultancy services relating to Richard Ian Hughes in particular, to provide the services of Richard Ian Hughes as non-executive chairman of the Company and specifically to monitor the performance of the Company from a shareholder perspective. The services are provided on a non-exclusive "ad hoc" basis for an annual fee of £36,000 (exclusive of value added tax) and payable in twelve equal monthly instalments. In addition, the Company pays Zeus an annual fee of £24,000 payable in 12 equal monthly instalments (exclusive of value added tax), for use of office accommodation and secretarial services. In the event that the share capital of the Company is admitted to trading on AIM the Company will pay an additional fee of £110,000 (plus value added tax if applicable) to Zeus. The terms of the consultancy agreement will continue until terminated by either party giving the other at least twelve months' written notice.

6.2 By a termination letter dated 8 July 2004 between the Company (1) and Zeus Partners (2) it was agreed that in consideration of the payment by the Company of £60,000 (plus value added tax if applicable) to Zeus Partners the letter of appointment be terminated immediately following Admission

6.3 Acceleris Corporate Ventures Limited entered into a letter of appointment with the Company dated 17 February 2004 in respect of Norman Molyneux's services as an executive director of the Company. The appointment is for an initial term of six months from 17 February 2004 and may be terminated at any time by six months' written notice by either party expiring at any time after the initial term. Norman's role includes the identification of appropriate target businesses. Under the letter of appointment, Acceleris Corporate Ventures Limited is entitled to an annual fee of £10,000 exclusive of value added tax and reimbursement of reasonable expenses but no other remuneration.

6.4 By a termination letter dated 8 July 2004 between the Company (1), Acceleris Corporate Ventures Limited (2) and Norman Molyneux (3) it was agreed that in consideration of the payment by the Company of £2,500 (plus value added tax if applicable) to Acceleris Corporate Ventures Limited, the letter of appointment be terminated immediately following Admission.

6.5 Richard Cullen Fraser and Stephen Ashcroft entered into service agreements with the Company on the dates set out below, but the agreements are conditional upon Completion. Messrs. Fraser and Ashcroft's service agreements are each for an initial period of 2 years from Completion and are then terminable on 12 months notice expiring at any time after the expiry of the initial period. Other details of these arrangements (including salary) are set out below:-

Proposed Director	Date of Agreement	Position	Salary per annum	Other Benefits
Richard Cullen Fraser	8 July 2004	Managing Director	£110,000	5% pension contribution; private medical expenses, permanent health, critical illness and death in service insurances; car allowance of £10,000 per year.

Proposed Director	Date of Agreement	Position	Salary per annum	Other Benefits
Stephen Ashcroft	8 July 2004	Commercial Director	£110,000	5% pension contribution; private medical expenses, permanent health, critical illness and death in service insurances; car allowance of £10,000 per year.

6.6 By a letter of appointment entered into with the Company on 8 July 2004, David Southworth agreed to act as non-executive Chairman of the Company. His appointment is conditional on Admission. Subject to the usual provisions for early termination, the appointment is for a minimum period of two years and will then continue until terminated by three months notice (expiring on or at any time after the initial two year period) given by either party. Mr Southworth is entitled to an annual fee of £20,000, the benefit of directors' liability insurance and the payment of his reasonable expenses.

6.7 By a letter of appointment entered into with the Company on 8 July 2004, David Hannis agreed to act as a non-executive Director of the Company. His appointment is conditional on Admission. Subject to the usual provisions for early termination, the appointment is for a minimum period of two years and will then continue until terminated by three months notice (expiring on or at any time after the initial two year period) given by either party. Mr Hannis is not entitled to any director's fee but will have the benefit of directors' liability insurance and the payment of his reasonable expenses.

6.8 The aggregate remuneration paid (and benefits in kind granted) to the Directors in the financial period ended 30 April 2004 was £Nil. Payments made to Zeus Partners and Acceleris Corporate Ventures Limited (in which Richard Ian Hughes and Norman Molyneux are respectively interested) in the financial period ended 30 April 2004 was £14,080.

The aggregate remuneration payable (and benefits in kind to be granted) to the Directors and the Proposed Directors in the current financial period ending 31 December 2004 under the arrangements in force at the date of this document is estimated to be £Nil. Payments made to Zeus Partners and Acceleris Corporate Ventures Limited (in which Richard Hughes and Norman Molyneux are respectively interested) in the current financial period ending 31 December 2004 is estimated to be £46,666.

6.9 Save as set out in this paragraph 6 there are no Directors' service contracts, or contracts in the nature of services, with the Company, which have been entered into amended within 6 months of the date of this document, other than those which expire or are terminable without payment of compensation on no more than 12 months' notice.

7. Accounting

The Company's accounting reference date is 31 December each year. The Company's current accounting reference period will end on 31 December 2004.

8. Registered Office and Premises

8.1 The registered office and principal place of business of the Company upon Admission, will be Frontier House, Merchants Quay, Salford Quays, Manchester M5 6FW.

8.2 The Group will upon Admission occupy the ground floor and part of the first floor of Frontier House, Merchants Quay, Salford Quays, Manchester M5 6FW under an informal lease from Winterthur Pension Trustees Limited under an informal lease pursuant to which a rent of £66,650 per annum and a service charge of £13,333 per annum is payable.

9. Taxation

9.1 *Introduction*

The information in this section is based on the Directors' understanding of current tax law and Inland Revenue practice. The following should be regarded as a summary and should not be construed as constituting advice. Prospective shareholders are strongly advised to take their own independent tax advice but certain potential tax benefits are summarised below in respect of an individual resident in the UK for tax purposes.

On issue, the Ordinary Shares will not be treated as either "listed" or "quoted" securities for tax purposes. Provided that the Company remains one which does not have any of its shares quoted on a recognised stock exchange (which for these purposes does not include AIM) and assuming that the Company remains a trading company or the holding company of a trading group for UK tax purposes, the Ordinary Shares should continue to be treated as unquoted securities qualifying for certain reliefs from UK taxation.

The following information is based upon the laws and practice currently in force in the UK and may not apply to persons who do not hold their Ordinary Shares as investments.

9.2 *Capital Gains Tax ("CGT")*

9.2.1 *Disposals*

Changes were made to the rules relating to the holdings of shares from 6 April 1998 so that the "pooling" of shares (i.e. treating them as one asset) no longer applies. Generally, any disposal of shares is treated on a last in, first out basis for the purposes of calculating gains which are chargeable to tax.

9.2.2 *Taper Relief*

On 6 April 1998, "taper relief" was introduced which applies to individual investors and trustees (but not to corporate investors). Taper relief reduces the chargeable gain assessable to CGT in relation to the period the investment is held and the scales of relief depend upon whether the investment is a "business" or "non-business" asset. The scale of relief is enhanced for those assets which qualify as "business" assets.

Business assets include shares in qualifying unquoted trading companies or holding companies of trading groups. For these purposes, prospective Investors should note that companies admitted to trading on AIM are regarded as unquoted. However, shares in the Company do not currently qualify as business assets as the Company is not a trading company and, therefore, the reduced levels of taper relief currently apply.

However, if the Company makes an acquisition so that it is deemed to be a trading company or a holding company of a trading company or group and satisfies the relevant criteria to qualify as a business asset, the classification will change so that shares in the Company will be deemed to be business assets with the associated accelerated scales of taper relief applicable. In these circumstances, the taper relief would be calculated by apportioning any gain assessed on shares in the Company between the non-business and business periods with each part of the gain then attracting taper relief at the appropriate rate.

9.3 *Inheritance Tax ("IHT")*

Shares in qualifying trading companies can attract 100 per cent. business property relief from IHT provided that the shares are held for at least two years before a chargeable transfer for IHT purposes. Business property relief would also apply to shares in an AIM company if that company were a trading company or holding company of a trading group. The Company does not qualify currently for business property relief.

9.4 *Income Tax*

9.4.1 *Taxation of Dividends*

9.4.1.1 Under current UK tax legislation, no tax is now withheld from dividends paid by the Company. Advance Corporation Tax ("ACT") has been abolished since 6 April 1999.

9.4.1.2 UK resident individual shareholders are treated as having received income of an amount equal to the sum of the dividend and its associated tax credit, the tax credit for dividends paid from 6 April 1999 being 10 per cent. of the combined amount of the dividend and the tax credit (i.e. the tax credit will be one ninth of the cash dividend). The tax credit will effectively satisfy a UK resident individual shareholder's lower and basic rate (but not higher rate) income tax liability in respect of the dividend. UK resident individual shareholders who are subject to tax at the higher rate will have to account for additional tax. The special rate of tax set for higher rate taxpayers who receive dividends is 32.5 per cent. After taking account of the 10 per cent. tax credit, such a taxpayer would have to account for additional tax of 22.5 per cent. ie an effective rate of 25 per cent on the amount of the cash dividend. In determining what tax rates apply to a UK resident individual shareholder, dividend income is treated as his top slice of income.

9.4.1.3 A UK resident (for tax purposes) corporate shareholder will generally not be liable to UK corporation tax on any dividend received and will be entitled for tax purposes to treat any such dividend and the related tax credit as franked investment income.

9.4.1.4 A UK pension fund, as defined in Section 231A Income and Corporation Taxes 1988, is restricted from claiming a repayment of the tax credit.

9.4.1.5 Shareholders not resident in the UK are generally not taxed in the UK on dividends received by them (unless, exceptionally, the investment is managed by a UK investment manager acting, broadly, on arm's length terms). By virtue of double taxation agreements between the UK and other countries, some overseas shareholders are able to claim payment of all or part of the tax credits carried by the dividends they receive from UK companies. Persons who are not resident in the UK should consult their own tax advisers on the possible applicability of such provisions, the procedure for claiming repayment and what relief or credit may be claimed in respect of such tax credit in the jurisdiction in which they are resident.

9.4.2 *Loss Relief:*

If a loss arises to an individual shareholder on the arms length disposal of shares in a qualifying trading company or a holding company of a trading group, such shares being originally acquired on a subscription for new shares, the loss may be relieved against income of that year or the previous year (with priority for relief in the current year where income of both years is utilised). Any loss remaining after claiming relief against income, may be available for relief against capital gains in either the current or subsequent years. The Company does not currently qualify for the purpose of this relief.

9.5 *Stamp duty and stamp duty reserve tax ("SDRT")*

Transfers or sales of Ordinary Shares will be subject to ad valorem stamp duty (payable by the purchaser and generally at the rate of 50p per £100 or part thereof rounded up to the nearest £5) and an unconditional agreement to transfer such shares, if not completed by a duly stamped stock transfer form within two months of the day on which such agreement is made or becomes unconditional, will be subject to SDRT (payable by the purchaser and generally at that rate). However, if within 6 years of the date of the agreement an instrument of transfer is executed pursuant to the agreement and stamp duty is paid on that instrument, any liability to SDRT will be cancelled or repaid.

9.6 *Enterprise Investment Scheme ("EIS")*

The Company's current structure and activities would not enable it to meet the requirements of a qualifying company under the EIS.

The above is a summary of certain aspects of current law and practice in the UK. A shareholder who is in any doubt as to his tax position, or who is subject to tax in a jurisdiction other than the UK, should consult his or her professional adviser.

10. Memorandum of Association

The principal objects of the Company are set out in clause 4 of the Company's memorandum of association and are to carry on the business of a general commercial company.

11. Articles of Association

The Articles of Association of the Company contain, *inter alia*, provisions to the following effect:

11.1 *Rights attaching to the Ordinary Shares*

11.1.1 *Voting*

Subject to any special terms as to voting upon which any shares may be issued, or may for the time being be held, every member present in person or by proxy at any general meeting shall, upon a show of hands, have one vote and every member present in person or by proxy shall, upon a poll, have one vote for each share held by him. Unless the Board otherwise determines, voting rights may not be exercised by a member who has not paid to the Company all calls and other sums then payable by him in respect of shares in the Company, or by a member who has been served with a disenfranchisement notice after failure to provide the Company with information which he is required to provide to it under any relevant legislation.

Where there are joint holders of a share, any one of them may vote at any meeting either personally or by proxy in respect of the share as if he were solely entitled to it, but if more than one joint holder is present at a meeting either personally or by proxy, that one of them whose name stands first in the register of members in respect of the share shall alone be entitled to vote in respect of it.

11.1.2 *Dividends*

Subject to the Act and any special rights attaching to shares (of which there are none at present), the holders of the Ordinary Shares are entitled, proportionately amongst themselves, to the profits of the Company available for distribution and resolved by ordinary resolution to be distributed (up to the amount recommended by the Directors) according to the amounts paid up on the Ordinary Shares held by them. The Directors may pay interim dividends if profits are available for distribution. No dividends payable in respect of an Ordinary Share shall bear interest. The Directors may, if authorised by an ordinary resolution, offer the holders of Ordinary Shares the right to elect to receive further Ordinary Shares, credited as fully paid (or other specific assets) instead of cash in respect of all or part of a dividend ("a scrip dividend"). The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests, withhold dividends or other sums payable in respect of shares which are the subject of a notice under section 212 of the Act and which represent 0.25 per cent. or more in nominal value of the issued shares of their class and in respect of which the required information has not been received by the Company within 14 days of that notice and the member holding those shares may not elect, in the case of a scrip dividend, to receive shares (or other specific assets) instead of that dividend.

The Company or its Directors may fix any date as the record date for a dividend. A dividend unclaimed after a period of 12 years from the date when it became due for payment shall, unless the Directors otherwise resolve, be forfeited and shall revert to the Company.

11.1.3 *Return of Capital*

On a winding-up, subject to any special rights attaching to shares (of which there are none at present), the assets available for distribution shall be divided among the members in proportion to the amounts of capital paid up on the shares held by them respectively. If the Company is wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an extraordinary resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the same authority, vest any part of the assets in trustees on trusts for the benefit of the members as he with the same authority thinks fit, but no member shall be compelled to accept any shares or other securities on which there is a liability.

11.1.4 *Allotment, Redemption and Pre-emption*

Subject to the provisions of the Act the power of the Company to allot any new shares shall be exercised by the Board. The current unissued share capital of the Company may be issued in accordance with the provisions summarised at paragraph 3.5 of this Part VI.

The Company may by special resolution create and sanction the issue of shares which are, or at the option of the Company or the holder are to be liable, to be redeemed, subject to and in accordance with the provisions of any relevant legislation. There are no pre-emption rights on transfer attaching to the shares in the capital of the Company.

11.1.5 *Alteration of share capital*

The Company may by ordinary resolution increase, consolidate or sub-divide its share capital or cancel any shares which have not, at the date of the ordinary resolution, been taken or agreed to be taken by any person and, subject to the Act, diminish the amount of its capital by the nominal amount of shares so cancelled. The Company may (subject to any conditions and consents required by law) by special resolution reduce its share capital or any capital redemption reserve fund or share premium account in any manner.

11.1.6 *Purchase of Own Shares*

The Company may purchase its own shares (including any redeemable shares) in accordance with the Articles and the Act.

11.2 *Rights attaching to the Redeemable Shares*

11.2.1 *Voting*

The Redeemable Shares shall not entitle the holders thereof to receive notice of and to attend and vote at any general meeting of the Company.

11.2.2 *Dividends*

The Redeemable Shares shall rank *pari passu* in all respects with the Ordinary Shares.

11.2.3 *Return of Capital*

The Redeemable Shares shall rank *pari passu* in all respects with the Ordinary Shares.

11.2.4 *Redemption*

The Company may at any time redeem all of the Redeemable Shares in issue by giving prior written notice to the holders.

11.3 *Directors*

11.3.1 *Directors' Remuneration*

The remuneration of the Directors for their services as Directors shall be determined by the Board. In addition, the Directors are entitled to be reimbursed for all reasonable expenses incurred in connection with their duties as Directors, including attendance at board meetings and general meetings of the Company. A Director may be appointed by the board to any employment or executive office with the Company for such period (subject to the provisions of any relevant legislation) on such terms and at such remuneration as the Board may determine.

11.3.2 *Retirement of Directors by Rotation*

At every annual general meeting of the Company, one-third of the Directors (or, if their number is not three or a multiple of three, the number nearest to but not more than one third) shall retire from office by rotation. The Directors to retire shall be those of the other Directors who have been longest in office since their appointment or last re-appointment but, as between persons who became or were re-appointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire shall be determined (both as to number and identity) by the composition of the board at the date of the notice convening the annual general meeting. A Director shall not be required, or be relieved from the obligation, to retire by reason of a change in the Board after that time but before the close of the meeting.

At the meeting at which a Director retires by rotation, the Company may fill the vacated office. A Director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

11.3.3 *Executive Directors*

The Directors may appoint a Director to an executive office in the Company on such terms as the Directors determine. The appointment of a Director to an executive office terminates if he ceases to be a Director, but without prejudice to any claim he has for breach of his contract of employment or service.

11.3.4 *Directors' Interests*

A Director shall not vote nor be counted in a quorum at a meeting in relation to any resolution of the Board concerning any contract, arrangement or other proposal in which he is, to his knowledge, directly or indirectly, materially interested. The prohibition will not apply to the following:

11.3.4.1 an arrangement for giving a guarantee, security or indemnity to him in respect of money lent or obligations undertaken by him for the benefit of the Company (or any of its subsidiaries) or in respect of a debt or obligation of the Company (or any of its subsidiaries) for which he has assumed responsibility, in whole or in part, under a guarantee or an indemnity or by the giving of security;

11.3.4.2 a proposal concerning an offer of securities by the Company (or any of its subsidiary undertakings) in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

11.3.4.3 a proposal concerning another company in which he is not interested, directly or indirectly, in 1 per cent., or more either of any class of its equity share capital or of its voting rights;

11.3.4.4 certain arrangements for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award the Director a privilege or benefit not awarded to the employees to whom the arrangement relates; or

11.3.4.5 a proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors.

Subject to the statutes and provided he has disclosed to the Directors the nature and extent of his interest, a Director may contract with the Company and the contract shall not be avoided on the grounds of his interest or benefit and the Director is not liable to account to the Company for any profit realised as a result of the contract.

A Director may not vote or be counted in the quorum in relation to a resolution of the Directors or committee of the Directors concerning his own appointment, including the arrangement or variation of the terms or the termination of his own appointment or the appointment of another person to an office in a company in which the Director has a material interest.

Where proposals are under consideration concerning the appointment, including the arrangement or variation of the terms or the termination of the appointment of two or more Directors, a separate resolution may be put in relation to each Director. In each case, each Director (if not otherwise debarred from voting) is entitled to vote in respect of each resolution except that concerning his own appointment.

11.4 *Transfer of Shares*

Any shares in the Company may be held in uncertificated form and title to shares may be transferred by means of a relevant system. The following provisions apply to uncertificated shares as if the reference therein to the date on which the transfer was lodged with the Company was a reference to the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the facilities and requirements of the relevant system.

The instrument of transfer of a share shall be signed by or on behalf of the transferor (and, in the case of a share which is not fully paid, by or on behalf of the transferee) and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. All transfers shall be effected by instrument in writing in the usual common form or any other form which the Directors may approve. The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of a share which is not fully paid. The Directors may likewise refuse to register any transfer in favour of more than four persons jointly. The Directors may decline to recognise any instrument of transfer unless it is lodged, duly stamped, with the Company, accompanied by the relevant certificate and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and unless the instrument is in respect of only one class of share. The Directors may, pursuant to the provisions of the Articles relating to disclosure of interests, refuse to register the transfer of shares which are the subject of a notice under section 212 of the Act and which represent 0.25 per cent. or more in nominal value of the issued shares of their class and in respect of which the required information has not been received by the Company within 14 days of that notice. The Directors may also refuse to register a transfer of uncertificated shares in such other circumstances as may be permitted or required by the relevant system or The Uncertificated Securities Regulations 2001.

11.5 *Variation of Rights*

The rights attaching to the shares in the Company may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of the relevant class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class.

11.6 *Borrowing Powers*

The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital and, subject to the statutes, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (or, as regards subsidiaries, so far as they can so secure) that the aggregate principal amount (after adjustments provided for in the Articles) at any one time owing by the Company and all its subsidiaries in respect of monies borrowed and owing to persons outside the Group shall not at any time without the previous sanction of the Company in general meeting exceed an amount equal to 3 times the amount paid up or credited as paid up on the issued share capital of the Company and the amount standing to the credit of the consolidated reserves of the Company and its subsidiaries and including (without limitation) share premium account, capital redemption reserve and credit balance on profit and loss account but after deducting any debit balance on profit and loss account and subject to such adjustments as are specified in the Articles.

11.7 *Electronic communication*

Any requirement for the Company to send, circulate or despatch notices or documents to its members shall be deemed to have been complied with in relation to any member where the Company and the member have agreed to use electronic communication to send such notices or documents, where the notices or documents are notices or documents to which the agreement applies and copies of the notices or documents are sent by electronic communication to the address, number or other location notified by the member to the Company for that purpose, or where the Company and the member have agreed to the member having access to notices or documents on a website and the member is notified of the publication of the notices or documents on the website, the address of the website, the place on the website where the notices or documents can be accessed and how they can be accessed and the period of time for which the notices or documents will be available on the website.

The period of time for which the notices or documents must be available on a website must not be less than 21 days from the date of notification or, if later, until the conclusion of any general meeting to which the notices or documents relate. If the notices or documents are published on the website for a part only of this period of time, they will be treated as being published throughout the period if the failure to publish throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.

Where the Company sends notices or documents to shareholders by electronic communication, it must also make the notices or documents available to members in printed form and free of charge on request during normal business hours for a period of not less than 21 days from the date of communication or notification or, if later, until the conclusion of any general meeting to which the notices or documents relate. The printed copies must be made available in sufficient numbers to satisfy demand from its members and be made available at the Company's office and also at the offices of any of the Company's paying agents in the United Kingdom.

12. Material Contracts, Share Sale and Option and Shareholders Agreement

12.1 Other than as set out below there are no contracts (not being in the ordinary course of business) entered into by the Company since the Company's incorporation or entered into by FTL, FTSSL or their subsidiaries within the 2 years preceding the date of this document which are or may be material or which contain any provision under which the Company or FTL, FTSSL or their subsidiaries has any obligation or entitlement which is material to the Company or FTL or FTSSL as at the date of this document.

Forward Link

12.1.1 By a letter of engagement dated 17 February 2004 the Company appointed W.H. Ireland as financial adviser in connection with the Offer for Subscription, Admission and any related fundraising at the time of Admission. W.H. Ireland received pursuant to the engagement, a fee of £2,500 (exclusive of VAT) together with a commission at the rate of 3 per cent. of the aggregate value of such new Ordinary Shares at the subscription price which were the subject of the Offer for Subscription and for which W.H. Ireland procured subscribers.

12.1.2 By a conditional agreement dated 8 July 2004 2004 made between the Vendors (1) and the Company (2), the Vendors agreed to sell and the Company agreed to acquire 47,638 Ordinary Shares in the share capital of FTL, 794 Ordinary Shares in the capital of FTSSL and the benefit of the Option for Ordinary Shares in the Company representing approximately 58% of the enlarged issued share capital of the Company on completion of the Proposals. The Acquisition Agreement contains warranties and indemnities in connection with FTL and FTSSL, given by the Vendors. Pursuant to the Acquisition Agreement the Vendors also agree not to dispose of the Consideration Shares save in certain specific circumstances for the period of 2 years from Admission.

12.1.3 By an agreement dated 8 July 2004 made between the Company (1) and W.H. Ireland (2), the Company appointed W.H. Ireland to act as Nominated Adviser to the Company for the purposes of the AIM Rules. The Company agreed to pay W.H. Ireland a fee (the "Advisory Fee") of £15,000 plus VAT per annum for a minimum period of two years, save that for the initial twelve months' period the fee payable will be nil. The Nominated Adviser agreement is subject to termination at any time after the initial two year period by either party on receipt by the other of not less than six months' notice to that effect.

12.1.4 By an agreement dated 8 July 2004 made between the Company (1) and W.H. Ireland (2), the Company appointed W.H. Ireland to act as Broker to the Company for the purposes of the AIM Rules. The Company has agreed to pay W.H. Ireland a fee of £15,000 plus VAT per annum (as part of the Advisory Fee), save that for the initial twelve months' period the fee payable will be nil. The Broker Agreement is subject to termination at any time after the initial two year period. In addition, the Company will pay W.H. Ireland a commission at the rate of 3 per cent. over the aggregate value of such new Ordinary Shares at the Placing Price which are the subject of the Placing and for which W.H. Ireland has procured subscribers.

12.1.5 By a Placing Agreement dated 8 July 2004 made between the Company (1) Richard Fraser and Stephen Ashcroft (2) and W.H. Ireland, W.H. Ireland has agreed to use its reasonable endeavours to procure subscribers on behalf of the Company for the Placing Shares at the Placing Price. W.H. Ireland is under no obligation to subscribe for any Placing Shares for which it is unable to procure subscribers. The Company, Richard Fraser and Stephen Ashcroft have given certain warranties and the Company has given indemnities to W.H. Ireland as to the accuracy of information contained in this document and other matters in relation to the Group and its business. The Placing Agreement is conditional *inter alia* upon certain documents specified in the Placing Agreement being delivered to W.H. Ireland and Admission taking place not later than 9 a.m. on 28 July 2004 or such later date as is agreed in writing. Under the Placing Agreement the Company has agreed to pay W.H. Ireland for its services a fee of £47,500 and commissions calculated at the aggregate value of the Placing Shares issued at the Placing Price. The Company has also agreed to indemnify W.H. Ireland against all costs and expenses in connection with the application for Admission save for W.H. Irelands' legal costs and commissions payable by it. The Placing Agreement is terminable in certain circumstances by W.H. Ireland before Admission.

12.1.6 By an agreement dated 1 July 2004 made between the Company (1) and Zeus Capital (2) the Company appointed Zeus Capital to act as financial advisor to the Company. The Company has agreed to pay Zeus Capital a fee of £15,000 plus VAT upon Admission and £10,000 plus VAT per annum thereafter.

Frenkel Topping Limited

12.1.7 By a letter dated 8 July 2004, John Frenkel has agreed to deposit the sum of £100,000 (provided such sum has been received by him by 31 August 2004 pursuant to the Share Sale and Option described below at paragraph 12.2) with FTL's bankers and to charge such deposit to support, in part, a facility to be granted to FTL. FTL, Richard Fraser, and Stephen Ashcroft have undertaken to Mr Frenkel that they will procure the release of such charge by 31 August 2005.

12.2 **Share Sale and Option Agreement**

By a Share Sale and Option Agreement dated 8th July 2004 and made between J R Frenkel and others (1) ("the Sellers") and R C Fraser and S Ashcroft (2) ("the Buyers") the Sellers agreed, subject to the satisfaction of a condition relating to the release of a personal guarantee, that they would sell and the Buyers agreed that they would buy 12,482 Ordinary Shares in the capital of FTL, 204 Ordinary Shares in the capital of FTSSL and all of the issued share capitals of Frenkel Topping (IMS) Limited, Frenkel Topping Financial Services Limited and Structured Settlements Direct Limited for the sum of £600,000. The Sellers additionally granted an Option to the Buyers to purchase 12,480 Ordinary Shares in the capital of FTL and 202 Ordinary Shares in the capital of FTSSL in the period to 31st July 2006. The aggregate exercise price for those shares varies from £628,646 to £712,500 dependent upon the date of exercise. If the condition referred to above is not satisfied by 31st August 2004 the agreement will lapse. Under the terms of the Acquisition Agreement this Agreement will be assigned to the Company on Completion.

12.3 **Shareholders Agreement**

By a Shareholders Agreement dated 8th July 2004 and made between J R Frenkel and another ("the Sellers") and R C Fraser and S Ashcroft ("the Buyers") the parties agreed to regulate the manner in which the businesses of FTL and FTSSL were conducted until such time as the Sellers ceased to be shareholders pursuant to the Option Agreement details of which are set out above. It is a term of this Agreement that if the Option Agreement is assigned the Assignee must enter into a Deed of Adherence to agree to be bound by the Shareholders Agreement.

13. Litigation

Neither the Company nor FTL nor FTSSL is engaged in any legal or arbitration proceedings nor, so far as the Directors and the Proposed Directors are aware, are any such proceedings pending or threatened against the Company or FTL or FTSSL which are having or may have a significant effect on the Company or FTL or FTSSL's financial position.

14. Intellectual Property Rights

There are no patents or intellectual property rights, licenses or particular contracts which are of fundamental importance to the Group's business.

15. Investments

Save as set out in this document there are no investments in progress which are significant.

16. Working Capital

The Directors and Proposed Directors are of the opinion that, having made due and careful enquiry, the working capital available to the Group will, from the time the Existing Ordinary Shares and New Ordinary Shares are admitted to AIM, be sufficient for its present requirements, that is for at least 12 months from the date of Admission.

17. Information Relating to the Placing

There is no minimum amount which, in the opinion of the Directors, must be raised by the Company pursuant to the Placing in order to provide the sums required pursuant to paragraph 21 of schedule 1 of the POS Regulations.

18. General Information

18.1 The total proceeds of the Placing are expected to be £264,500. The estimated amount of the expenses of the Placing, and Admission which are all payable by the Company, is approximately £264,500 (including VAT). The net proceeds of the Placing will be approximately £Nil.

18.2 W. H. Ireland, whose registered office is at 11 St James's Square, Manchester M2 6WH, has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

18.3 Zeus Capital Limited, whose registered office is at 3, Ralli Courts, West Riverside, Manchester, M3 5FT has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

18.4 The financial information contained in this document does not constitute full statutory accounts as referred to in section 240 of the Act.

18.5 Save as disclosed in this document there has been no significant change in the financial or trading position of the Group since 19 June 2004 in respect of Forward Link the date to which the accountants report in this document is drawn and since 31 December 2003 in respect of FTL and FTSSL, the date to which their respective latest published financial statements were made up.

18.6 The Existing Ordinary Shares are, and the New Ordinary Shares will be, in registered form. It is expected that share certificates will be posted by 4 August 2004. No temporary documents of title will be issued.

18.7 No person directly or indirectly has in the last twelve months received or is contractually entitled to receive directly or indirectly, from the Company on or after Admission (excluding in either case persons who are professional advisers or otherwise than as disclosed in this document), any payment or benefit from the Company to the value of £10,000 or more or securities in the Company to such value or entered into any contractual arrangements to receive the same, directly or indirectly, from the Company on or after Admission.

18.8 Baker Tilly Chartered Accountants were auditors of the Company for the period relating to the accounts set out in Part V of this document.

18.9 Baker Tilly of Brazennose House, Lincoln Square, Manchester, M2 4JU have given and have not withdrawn their written consent to the issue of this document with the references herein to their reports in Parts III, IV and V (for which they take responsibility accordingly) and name in the form and context in which they respectively appear.

18.10 Of the Placing Price 0.5p represents the nominal value and 47.5p the premium.

18.11 Monies received from applicants pursuant to the Placing will be held in accordance with the terms of the placing letters issued by W.H. Ireland until such time as the Placing Agreement becomes unconditional in all respects. If the Placing Agreement does not become unconditional in all respects by 28 July 2004 application monies will be refunded to applicants at their risk without interest.

18.12 On 8 July 2004 the Company changed its accounting reference date from 30 April to 31 December.

19. Publication of this document

Copies of this document will be available free of charge to the public at the offices of W.H. Ireland, 11 St James's Square, Manchester, M2 6WH and at the offices of Wacks Caller, Steam Packet House, 76 Cross Street, Manchester, M2 4JU from the date of this document until at least one month after Admission.

20. Documents Available for Inspection

20.1 Copies of the following documents may be inspected at the offices of Wacks Caller, Steam Packet House, 76 Cross Street, Manchester, M2 4JU during the usual business hours on any week day (weekends and public holidays excepted) for the period of fourteen days following the date of this document:-

20.1.1 the Memorandum and Articles of Association of the Company;

20.1.2 the Memorandum and Articles of Association of FTL;

20.1.3 the Memorandum and Articles of Association of FTSSL;

20.1.4 the audited accounts of FTL and FTSSL for the period ended 31 December 2003;

20.1.5 the accountants reports by Baker Tilly on FTL, FTSSL and Forward Link reproduced in Parts III, IV and V respectively of this document;

20.1.6 the pro forma statement of consolidated net assets appearing in Part VI of this document;

20.1.7 the Directors' and Proposed Directors' service agreements and letters of appointment, referred to in paragraph 6 above;

20.1.8 the letter from the chairman of the Company appearing in Part I of this document;

20.1.9 the material contracts referred to in paragraph 12 above; and

20.1.10 the written consents referred to in paragraphs 18.2 , 18.3 and 18.9 above;

9 July 2004

FORWARD LINK PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 4726826)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Forward Link plc ("the Company") will be held at the offices of Wacks Caller, Steam Packet House, 76 Cross Street, Manchester, M2 4JU on 26 July 2004 at 10.00 am for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions.

Voting on Resolution 2 will be conducted on a poll.

ORDINARY RESOLUTIONS

THAT:

1. The acquisition by the Company of 47,638 Ordinary Shares in the capital of FTL, 794 Ordinary Shares in the capital of FTSSL and the Option on and subject to the terms and conditions of the Acquisition Agreement (as defined in the prospectus of the Company dated 9 July 2004 ("the Prospectus")) copies of which documents are laid before the meeting and, (for identification purposes only, initialled by the chairman of the meeting) be and is hereby approved and the Board (or a duly constituted committee thereof) be authorised to waive, amend, vary, increase or extend any such terms and conditions and to make the acquisition and do all such things as are necessary or desirable in connection with such acquisition.
2. The grant by the Panel on Takeovers and Mergers of a waiver, on the terms described in Part I of the Prospectus of which this Notice forms a part of the obligation that would otherwise arise on the Concert Party (as defined in the Prospectus) both individually and collectively to make a general offer to shareholders of the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers as a result of the allotment and issue to the Concert Party by the Company of 26,450,000 new ordinary shares of 0.5p each in the capital of the Company (representing approximately 58 per cent of the enlarged issued share capital of the Company immediately following completion of the Proposals as defined in the Prospectus) be and is hereby approved.

BY ORDER OF THE BOARD

. . . .
Norman Molyneux

COMPANY SECRETARY
9 July 2004

Registered Office:
3 Ralli Courts
West Riverside
Manchester
M3 5FT

Notes:

1. Every member who is entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Authorised representatives of corporate members have full voting powers. Members who have lodged forms of proxy are not thereby prevented from attending the meeting and voting in person if they so wish.

2. To be effective, the form of proxy (together with any power of attorney or other written authority under which it is signed or a notarially certified copy of such power or written authority) must be lodged at the offices of the Company's registrars Neville Registrars Limited, Neville House. 18 Laurel Lane Halesowen, West Midlands B63 3DA not later than 48 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) not less than 24 hours before the time appointed for the taking of the poll at which it is to be used.

3. Any corporation which is a member of the Company may authorise a person (who need not be a member of the Company) to act as its representative to attend, speak and vote (on a show of hands or a poll) on its behalf.

4. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the Extraordinary General Meeting is at 10.00 am on 24 July 2004. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date fixed for the adjourned meeting. Changes to entries on the register of members after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.

As explained in the Prospectus, voting on Resolution 2 is required to be conducted on a poll in accordance with the requirements of the Panel on Takeovers and Mergers for a waiver of the obligation that would otherwise arise until Rule 9 of the City Code on Takeovers. The Zeus Partners will not be entitled to vote upon Resolution 2 because they are deemed not to be independent for the purposes of the City Code because of their interest in the options set out in paragraph 5.5 of Part VII of the Prospectus.

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