

**CROWN BUCKLEY LIMITED**  
(Registered number 2809284)

**DIRECTORS' REPORT AND ACCOUNTS**

**30 SEPTEMBER 2003**



**DIRECTORS' REPORT**

The directors have pleasure in submitting their annual report and financial statements for the year ended 30 September 2003.

**REVIEW OF BUSINESS**

The company did not trade in the year.

**FUTURE DEVELOPMENTS**

The company is a wholly owned subsidiary of S A Brain & Company Limited. The future development of the company is therefore directly related to that of its ultimate parent company.

**DIVIDENDS AND RETAINED PROFIT**

During the year, dividends on 15% 'A' preference shares have been paid totalling £107,000 (2002 - £107,000). At 30 September 2003 dividends of £Nil (2002 - £nil) have been accrued, and the profit of £78,000(2002 - loss - £107,000) has been transferred to reserves.

**DIRECTORS**

The directors who held office in the year were:

C M Brain(Chairman)  
J S Waddington  
J Kerr  
ME James (retired 12 June 2003)  
M S Reed  
D P Bonney (appointed 12 June 2003)  
JR Thomas (until 23 February 2003)  
R Button (until 13 March 2003)  
R E Thomas (until 13 March 2003)  
E L Ashford(appointed 13 March 2003)  
M Hall (appointed 13 March 2003)

Details of directors' interests in the share capital of the company are shown in note 11 to the accounts.

**ADVISORY COMMITTEE**

The following persons were members of the Advisory Committee, authorised to represent the holders of 'A' preference shares, at 30 September 2003.

R E Thomas(Chairman of Advisory Committee)  
EL Ashford  
P Jones  
B Lansley  
M Hall  
R Button  
P Barry\*  
O Hill\*

\* CIU representatives

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 September 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**OWNERSHIP**

The company is a wholly owned subsidiary of S A Brain and Company Limited.

**AUDITORS**

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By Order of the Board

*K. Eastwood*

K Eastwood  
Secretary  
30 January 2004

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROWN BUCKLEY LIMITED**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies in note 1.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This opinion has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

### **Basis of audit opinion**

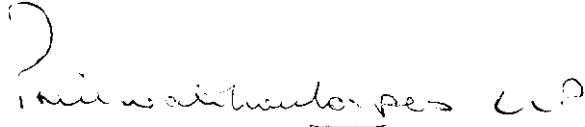
We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
CROWN BUCKLEY LIMITED**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**Cardiff**  
30 January 2003

**PROFIT AND LOSS ACCOUNT FOR THE  
YEAR ENDED 30 SEPTEMBER 2003**

	<u>2003</u> £'000	<u>2002</u> £'000
<b>INTEREST</b>		
Interest receivable	254	-
	<hr/>	<hr/>
<b>PROFIT BEFORE TAX</b>	254	-
Taxation on profit on ordinary activities	(69)	-
	<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	185	-
Dividends – Non-equity shares (Note 2)	(107)	(107)
	<hr/>	<hr/>
<b>RETAINED PROFIT/( LOSS) FOR THE FINANCIAL YEAR</b>	78	(107)
	<hr/>	<hr/>

There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

The result for the financial year includes all recognised gains and losses in the year.

The notes on pages 7 to 12 form an integral part of these accounts.

## BALANCE SHEET 30 SEPTEMBER 2003

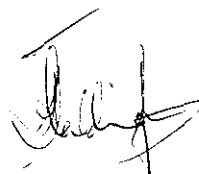
	<u>2003</u> £'000	<u>2002</u> £'000
<b>CURRENT ASSETS</b>		
Debtors (Note 3)	6,806	6,659
<b>CREDITORS – Amounts falling due</b>		
<b>Within one year</b> (Note 4)	(3,814)	(3,745)
	<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	2,992	2,914
	<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>		
Called up share capital (Note 5)	737	737
Share premium account (Note 6)	1,737	1,737
Capital reserve (Note 7)	383	383
Profit and loss account (Note 8)	135	57
	<hr/>	<hr/>
Total shareholders' funds	2,992	2,914
	<hr/>	<hr/>
Shareholders' funds are attributable to:		
Equity shareholders	137	59
Non-equity shareholders	2,855	2,855
	<hr/>	<hr/>
	2,992	2,914
	<hr/>	<hr/>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standards for Smaller Entities (effective March 2000)

These accounts were approved by the directors on 30 January 2004.



CM Brain  
Chairman



JS Waddington  
Director

The notes on pages 7 to 12 form an integral part of these accounts.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 1 ACCOUNTING POLICIES

#### (i) Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### (ii) Consolidation

The company is exempt from the obligation to prepare and deliver group accounts under Section 228 of the Companies Act 1985. Accordingly, these financial statements present information about the company as an individual undertaking and not about its group.

### 2 DIVIDENDS

	<u>2003</u> £'000	<u>2002</u> £'000
Dividends paid in the year: 15% "A" preference shares	107	107
Dividend accrued but not due for payment		
- at beginning of year	-	-
- at end of year	-	-
	<hr/> 107 <hr/>	<hr/> 107 <hr/>

### 3 DEBTORS

	<u>2003</u> £'000	<u>2002</u> £'000
Amount due from group companies	6,806	6,659
	<hr/>	<hr/>



**CROWN BUCKLEY LIMITED****8****4 CREDITORS (amounts falling due within one year)**

	<u>2003</u> £'000	<u>2002</u> £'000
Amount owed group companies	3,698	3,698
Corporation Tax	69	-
Other taxation and social security	47	47
	<hr/>	<hr/>
	3,814	3,745
	<hr/>	<hr/>

**5 CALLED UP SHARE CAPITAL**

2003 and 2002  
£'000

**Authorised shares**

150,001 ordinary shares of 1p each	2
349,999 8% preferred ordinary shares of 1p each	3
713,829 15% 'A' preference shares of £1 each	714
2,200,000 8% 'B' preference shares of 1p each	22
	<hr/>

741

**Allotted and fully paid shares**

150,001 ordinary shares of 1p each	2
149,999 8% preferred ordinary shares of 1p each	1
712,310 15% 'A' preference shares of £1 each	712
2,200,000 8% 'B' preference shares of 1p each	22
	<hr/>

737

## 5 CALLED UP SHARE CAPITAL (CONTINUED)

The rights attaching to each class of share are summarised as follows:

**Rights to dividends**

Ordinary shares of 1p each	-	None
8% preferred ordinary shares of 1p each	-	8% cumulative dividend, payable half yearly on amount paid up including premium
15% 'A' preference shares of £1 each	-	15% cumulative dividend, payable half yearly on amount paid up
8% 'B' preference shares of 1p each	-	8% cumulative dividend, payable half yearly on amount paid up including premium

**Rights to redemption**

Ordinary shares of 1p each	-	None
8% preferred ordinary shares of 1p each	-	None
15% 'A' preference shares of £1 each	-	Redeemable at the option of the company in certain circumstances
8% 'B' preference shares of 1p each	-	Redeemable (including premium paid) in five annual instalments commencing 30 September 2000, or in certain circumstances.

**Rights on Winding Up**

The assets of the company remaining after all liabilities and costs have been discharged are to be distributed in the event of a winding up as follows :

- Firstly, in paying to "A" and "B" preference shareholders any arrears of dividends;
- Secondly, in paying to "A" and "B" preference shareholders the amounts paid up on their shares, including any premium;
- Thirdly, in paying to preferred ordinary shareholders any arrears of dividends;
- Fourthly, in paying to preferred ordinary shareholders the amounts paid up on their shares, including any premium;
- Fifthly, in paying to the ordinary shareholders the amounts paid up on their shares, including any premium;
- Sixthly, any balance of assets to be paid to ordinary and preferred ordinary shareholders in the proportion of shares held, as if they were the same class of share.

## 5 CALLED UP SHARE CAPITAL (CONTINUED)

## Voting Rights

Ordinary shares of 1p each	- Full voting rights
8% preferred ordinary shares of 1p each	- Full voting rights
15% "A" preference shares of £1 each	- Right to vote at separate class meetings only
8% "B" preference shares of 1p each	- Right to vote at general meetings only on matters concerning winding up, reduction of capital or varying of class rights attaching to such shares

## 6 SHARE PREMIUM ACCOUNT

£'000

At 30 September 2003 and 30 September 2002

1,737

## 7 CAPITAL RESERVE

£'000

At 30 September 2003 and 30 September 2002

383

## 8 PROFIT AND LOSS ACCOUNT

£'000

At 1 October 2002

57

Retained profit for the year

78

At 30 September 2003

135

**9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>2003</u> £'000	<u>2002</u> £'000
Recognised gains for the period :		
Profit for the period	185	-
Dividends	(107)	(107)
	<hr/>	<hr/>
Net increase/(decrease) in shareholders' funds	78	(107)
Opening shareholders' funds	2,914	3,021
	<hr/>	<hr/>
Closing shareholders' funds	2,992	2,914
	<hr/>	<hr/>

**10 PENSION SCHEME**

The company operates a defined benefit pension scheme which provides pensions and other related benefits based on final pensionable pay. The assets of the scheme are held in a separate trust fund which is administered by trustees. Full details of this scheme are set out in the financial statements of SA Brain & Company Limited

**11 DIRECTORS**

The beneficial shareholdings of the directors (including their families) in the company were as follows:

	<u>At 30 September</u> <u>2003</u>	<u>At 30 September</u> <u>2002</u>
<b>'A' preference shares</b>		
J S Waddington	1,000	2,000
J Kerr	2,000	2,000
M S Reed	1,050	4,050
JR Thomas	1,100	1,100
R Button	62	62
R E Thomas	1,255	1,255
E Ashford	2,848	2,848
M Hall	500	500

Directors interests in the shares of the holding company, S A Brain & Company Limited, are shown in the accounts of that company.

**12 TRANSACTIONS WITH DIRECTORS AND OFFICERS**

Mr M Hall is an officer of a club which had trading relationships with the company during the year on normal terms.

There were no transactions with, or loans to, any director of the company or its subsidiaries during the year.

**13 CONTINGENT LIABILITIES**

The company has entered into an Omnibus Guarantee and Set off Agreement in respect of the borrowings of its parent company, S A Brain & Company Limited. At 30 September 2003 the amounts due within the Group under such guarantees amounted to £30,240,000 (2002: £21,605,000). The directors do not anticipate any liabilities arising as a result of these guarantees.

**14 CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES**

The company is a wholly owned subsidiary of S A Brain and Company Limited and is included in the consolidated financial statements which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with fellow group companies.

**15 PARENT COMPANY**

The ultimate parent company is S A Brain and Company Limited, which is incorporated and registered in England and Wales. Copies of the group accounts are held at The Cardiff Brewery, Crawshay Street, Cardiff CF10 1SP. That company is the parent of the smallest and largest group in respect of which group accounts are prepared.