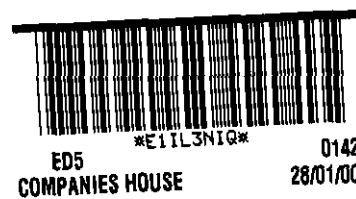


Brightside & Carbrook Services Limited

Directors' report and financial statements

31 January 1999

Registered number 2997069



Directors' report and financial statements

Contents

<i>Directors' report</i>	1
Statement of directors' responsibilities	2
Report of the auditors to the members of Brightside & Carbrook Services Limited	3
Profit and loss account	4
Balance sheet	5
Reconciliation of movements in shareholders' funds	6
Notes	7

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 January 1999.

Principal activities

The company wholesales coffins and leases hearses to Brightside & Carbrook Co-operative Chemists Limited, a company which is a member of the same group.

Business review

The financial statements for the year ended 31 January 1999 show a profit of £Nil (1998: £Nil).

The directors do not recommend the payment of a dividend (1998: £Nil).

Details of the movement on reserves are shown in the notes to the financial statements.

Directors and directors' interests

The directors who held office during the year were as follows:

Mr JL French
Mr WH Twigg MBE

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company or any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Year 2000

Risk analysis has been undertaken to establish the impact of this issue on all our activities and to address the key risks in advance of critical dates to avoid disruption to the underlying business activities.

Although it is not possible to guarantee that no Year 2000 problems will occur, the board believes that it will achieve an acceptable state of readiness and will provide adequate resources to deal promptly with significant failures or issues that might arise.

The costs associated with the advent of the Year 2000 programme are not expected to be material.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

WH Twigg
Director



Castle House
Angel Street
Sheffield
S3 8LS

Statement of directors' responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



The Fountain Precinct
1 Balm Green
Sheffield
S1 3AF

Report of the auditors to the members of Brightside & Carbrook Services Limited

We have audited the financial statements on pages 4 to 10.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 January 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

*Chartered Accountants
Registered Auditors*

25/1/99

Profit and loss account
 for the year ended 31 January 1999

	Note	1999 £	1998 £
Turnover	2	78,000	78,000
Cost of sales		(43,880)	(71,378)
Gross profit		34,120	6,622
Administration expenses		(34,120)	(6,622)
Operating profit	3	-	-
Profit on ordinary activities before and after taxation		-	-
Retained profit for the year		-	-

All of the above turnover and profit for the year is derived from continuing operations and there were no discontinued activities during the year.

All of the recognised gains and losses during the year passed through the profit and loss account.

Balance sheet
 at 31 January 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	5	303,949	341,369
Total assets less current liabilities		303,949	341,369
Creditors: amounts falling due after more than one year	6	(303,947)	(341,367)
Net assets		2	2
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account		-	-
Equity shareholders' funds		2	2

These financial statements were approved by the board of directors on behalf by:

25/1/99

and were signed on its



WH Twigg
 Director

Reconciliation of movements in shareholders' funds
for the year ended 31 January 1999

	1999 £	1998 £
Profit for the financial year	-	-
Dividends	-	-
	<hr/>	<hr/>
Net addition to shareholders' funds	-	-
Opening shareholders' funds	2	2
	<hr/>	<hr/>
Closing shareholders' funds	2	2
	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Motor vehicles	-	15% per annum
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Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

Related party transactions

As the company is a wholly owned subsidiary of Sheffield Co-operative Society Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Sheffield Co-operative Society Limited, within which this company is included, can be obtained from the address in note 8.

Notes (continued)

2 Turnover

	1999 £	1998 £
Leasing of hearses	78,000	78,000

3 Operating profit

	1999 £	1998 £
<i>Operating profit is stated</i>		
<i>after charging</i>		
Auditors' remuneration:		
Audit	500	500
Depreciation and other amounts written off tangible fixed assets:		
Owned	43,880	71,378

4 Remuneration of directors

None of the directors received any emoluments in respect of their services to the company during the year (1998: £Nil).

Notes (continued)

5 Tangible fixed assets

	Motor vehicles £
<i>Cost</i>	
At beginning of year	445,562
Additions	14,031
Disposals	(12,344)
	<hr/>
At end of year	447,249
	<hr/>
<i>Depreciation</i>	
At beginning of year	104,193
Charge for year	43,880
Disposals	(4,773)
	<hr/>
At end of year	143,300
	<hr/>
<i>Net book value</i>	
At 31 January 1999	303,949
	<hr/>
At 31 January 1998	341,369
	<hr/>

6 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Amounts owed to parent undertaking	303,947	341,367
	<hr/>	<hr/>

Notes (continued)

7 Called up share capital

	1999 £	1998 £
<i>Authorised</i>		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

8 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of, and is controlled by, Sheffield Co-operative Society Limited registered in England and Wales.

The consolidated accounts of Sheffield Co-operative Society Limited are available to the public from Castle House, Angel Street, Sheffield, S3 8LS.