

**CRANEHEATH SECURITIES LIMITED**

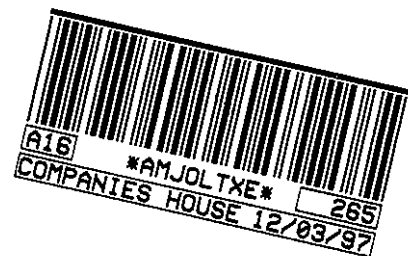
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED

28 SEPTEMBER 1996

---

(Company Number: 1097824)



**CRANEHEATH SECURITIES LIMITED****DIRECTORS' REPORT**

The Directors present their report and audited financial statements for the 52 weeks ended 28 September 1996.

**REVIEW OF BUSINESS**

During the period the Company continued to manage the run down of the former banking business.

**RESULTS AND DIVIDENDS**

The results of the Company for the 52 weeks ended 28 September 1996 are set out on page 4. No dividend is proposed. (1995 : £NIL).

**DIRECTORS**

The Directors who served throughout the period and to date (except as noted below) are as follows:

D J Mulhall	(appointed 30 April 1996)	
M R Puttock		
P F O'Connor	(resigned 30 April 1996)	
D R Hooper	(resigned 30 April 1996)	(alternate to P F O'Connor)
G B Cuthbertson		

The Directors had no interests in the shares of either the Company or any other Group Companies.

The interests of D J Mulhall in the ordinary shares of the ultimate parent company, Berisford plc are disclosed in the accounts of that company and the interests of the remaining Directors in office at 28 September 1996 are as follows:

	<u>At 28 September 1996</u>			<u>At 1 October 1995</u>		
	Executive Share Option Scheme	SAYE Share Option Scheme	Ordinary Shares	Executive Share Option Scheme	SAYE Share Option Scheme	Ordinary Shares
G B Cuthbertson	271,963	23,814	Nil	216,963	23,814	Nil
M R Puttock	12,433	23,814	Nil	18,787	23,814	Nil

**CRANEHEATH SECURITIES LIMITED**  
**DIRECTORS' REPORT (continued)**

**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 of the company for that period. In preparing those statements, the Directors are required to:

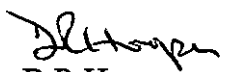
- . Select suitable accounting policies and then apply them consistently;
- . Make judgements and estimates that are reasonable and prudent;
- . Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**AUDITORS**

The Company has passed an elective resolution to dispense with the obligation to reappoint auditors in accordance with Section 386 of the Company Act.

BY ORDER OF THE BOARD

  
D R Hooper  
Secretary  
1 Baker Street  
London  
W1M 1AA  
4 March 1997

**CRANEHEATH SECURITIES LIMITED****REPORT OF THE AUDITORS**  
**TO THE MEMBERS OF CRANEHEATH SECURITIES LIMITED**

We have audited the financial statements on pages 4 to 8.

**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.

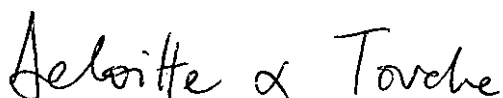
**Basis of opinion**

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 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 at 28 September 1996 and of its loss for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants and Registered Auditors  
Hill House  
1 Little New Street  
London  
EC4A 3TR

4 March 1997

**CRANEHEATH SECURITIES LIMITED****PROFIT AND LOSS ACCOUNT**  
**for the 52 weeks ended 28 September 1996**

	<u>Notes</u>	<u>52 weeks to</u> <u>28 Sept. 1996</u> £'000	<u>Year to</u> <u>30 Sept. 1995</u> £'000
Administration expenses and operating charges		(320)	-
Provision for doubtful debts no longer required		315	-
		<hr/>	<hr/>
<b>Loss before taxation</b>			
Continuing Activities	2	(5)	-
Tax on loss on ordinary activities	3	-	-
		<hr/>	<hr/>
<b>Loss on ordinary activities after taxation</b>		(5)	-
Retained loss at the beginning of period		(14,535)	(14,535)
		<hr/>	<hr/>
Retained loss at the end of period		(14,540)	(14,535)
		<hr/>	<hr/>

The Company has no recognised gains and losses in the current period or previous year other than those included in the loss above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the results for the periods stated above and their historical cost equivalents.

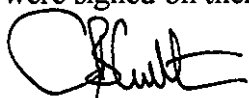
The notes on pages 6 to 8 form part of the financial statements.

**CRANEHEATH SECURITIES LIMITED****BALANCE SHEET****28 September 1996**

	<u>Notes</u>		<u>28 Sept.</u> <u>1996</u>		<u>30 Sept.</u> <u>1995</u>
		£'000	£'000	£'000	£'000
<b>Current Assets:</b>					
Prepayments and accrued income	4	-		40	
Cash at bank and in hand		28		62	
Amounts due from parent company		373		-	
		401		102	
<b>Creditors:</b>					
Amounts due within one year	5	377		30	
<b>Net Current Assets</b>			24		72
Provisions for liabilities and charges	6	-			43
<b>Total Assets Less Current Liabilities</b>			24		29
<b>Capital And Reserves:</b>					
Called up share capital	7		12,564		12,564
Profit and loss account			(14,540)		(14,535)
Capital reserve	8		2,000		2,000
<b>Equity Shareholders' Funds</b>	9		24		29

The financial statements on pages 4 to 8 were approved by the Board of Directors on 4 March 1997 and were signed on their behalf by:

G B Cuthbertson



Director

M R Puttock



Director

The notes on pages 6 to 8 form part of these accounts.

**CRANEHEATH SECURITIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE 52 WEEKS ENDED 28 SEPTEMBER 1996****1. Accounting Policies**

These financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the major accounting policies, which have been applied consistently, is set out below:-

- a) The financial statements have been prepared in accordance with the historical cost convention.
- b) The Company has not presented a statement of cash flows for the current period as its ultimate parent company has complied with the requirements of Financial Reporting Standard 1.
- c) The Financial Statements have been prepared on a going concern basis based on the continued support of the parent company, Berisford plc.

**2. Loss On Ordinary Activities Before Taxation**

	52 weeks to <u>28 Sept. 1996</u> £'000	Year to <u>30 Sept. 1995</u> £'000
This is arrived at after charging:		
Auditors' remuneration - audit fees	2	2
- other	NIL	NIL
	<hr/>	<hr/>

Directors' emoluments to the extent relevant to the Company, were borne by the ultimate parent company.

**3. Tax On Loss On Ordinary Activities**

Any taxable losses in respect of 1996 surrendered to group companies will be for £Nil consideration.

**4. Debtors And Prepayments**

	<u>1996</u> £'000	<u>1995</u> £'000
Prepayments and accrued income	-	40
	<hr/>	<hr/>

**CRANEHEATH SECURITIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE 52 WEEKS ENDED 28 SEPTEMBER 1996****5. Sundry Creditors And Accruals**

	28 Sept. 1996 £'000	30 Sept. 1995 £'000
Accruals and deferred income	57	30
Due to ultimate parent company	320	-
	<hr/> 377	<hr/> 30

**6. Provisions For Liabilities And Charges**

Provision for future legal costs	-	43
	<hr/>	<hr/>

**7. Share Capital**

Authorised:		
12,563,775 Ordinary shares of £1 each	12,564	12,564
	<hr/>	<hr/>
Called up, allotted and fully paid:		
12,563,775 Ordinary shares of £1 each	12,564	12,564
	<hr/>	<hr/>

**8. Capital Reserve**

This reserve is not distributable and is only repayable in the event that the company is wound up.

**9. Reconciliation of Shareholders' Funds**

	28 Sept. 1996 £'000	30 Sept. 1995 £'000
At start of period	29	(235)
Shares issued	-	264
Loss for period	(5)	-
	<hr/> 24	<hr/> 29



**CRANEHEATH SECURITIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE 52 WEEKS ENDED 28 SEPTEMBER 1996****10. Contingent Liabilities**

There is a contingent liability in respect of the cross guarantee, given by the Company together with other members of the Berisford Group, in favour of National Westminster Bank plc.

**11. Ultimate Parent Company**

The ultimate parent company is Berisford plc, a company incorporated in Great Britain. The accounts of the ultimate holding company are available from The Secretary, Number One, Baker Street, London W1M 1AA.