

CRANEHEATH SECURITIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 1995

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(Company Number: 1097824)



## CRANEHEATH SECURITIES LIMITED

### DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 30 September 1995.

### REVIEW OF BUSINESS

During the year the Company continued to provide banking services to its customers.

As referred to in the Directors' report for the year ended 30 September 1990 the Board had decided that it would surrender the Company's authorisation under the Banking Act 1987 and this was surrendered on 1 April 1992 at which time the Company no longer accepted deposits.

### RESULTS AND DIVIDENDS

The results of the Company for the year are set out on page 4. No dividend is proposed.

### DIRECTORS

The Directors who served during the year and to date 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 the Company. The interests of the Directors in office at 30 September 1995 in shares of other companies in the Berisford Group are set out in Note 12 to the accounts.

The interests of P F O'Connor in the ordinary shares of the ultimate holding company, Berisford plc (formerly Berisford International plc) are disclosed in the accounts of that company and the interests of the remaining Directors in office at the year end are as follows:

	<u>At 30 September 1995</u>			<u>At 1 October 1994 or date of appointment</u>		
	<u>Executive Share Option Scheme</u>	<u>SAYE Share Option Scheme</u>	<u>Ordinary Shares</u>	<u>Executive Share Option Scheme</u>	<u>SAYE Share Option Scheme</u>	<u>Ordinary Shares</u>
G B Cuthbertson	216,963	23,814	Nil	216,963	23,814	Nil
M R Puttock	18,787	23,814	Nil	18,787	23,814	4,835
D R Hooper	144,641	10,986	Nil	126,561	10,986	Nil

## CRANEHEATH SECURITIES LIMITED

### DIRECTORS' REPORT (continued)

Following the Berisford plc (formerly Berisford International plc) Rights Issue on 13 January 1994 the share options were adjusted in accordance with Inland Revenue approval. The data as at 1 October 1994 have been restated as a result of the adjustment.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Company 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;
- . 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 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.

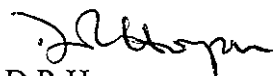
### SHARE CAPITAL

Changes in the share capital of the Company are detailed in note 7 to the financial statements.

### AUDITORS

By a letter dated 15 September 1995 Coopers & Lybrand resigned as auditors to the Company. This followed a review of auditors for the entire Berisford group of Companies. At a Board Meeting on 6 October 1995 Touche Ross & Co. were appointed to fill the casual vacancy with effect from 25 September 1995, and a resolution confirming their appointment, under their new name of Deloitte & Touche, will be put to the members in general meeting.

BY ORDER OF THE BOARD



D R Hooper  
Secretary  
1 Baker Street  
London  
W1M 1AA

**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.

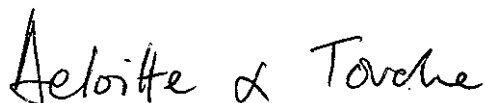
**Basis of opinion**

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 30 September 1995 and of its result for the year then ended and have properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants and Registered Auditors  
London



**CRANEHEATH SECURITIES LIMITED****PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 September 1995**

	<u>Notes</u>	<u>1995</u> £'000	<u>1994</u> £'000
Administration expenses and operating charges		-	(14)
Provision for doubtful debts and future legal costs		-	(236)
		<hr/>	<hr/>
Loss before taxation			
<b>Continuing Activities</b>	2	-	(250)
Taxation	3	-	-
		<hr/>	<hr/>
<b>Loss on ordinary activities after taxation being retained loss for the year</b>		-	(250)
Retained loss at the beginning of year		(14,535)	(14,285)
		<hr/>	<hr/>
Retained loss at the end of year		(14,535)	(14,535)
		<hr/>	<hr/>

The Company has no recognised gains and losses 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 loss for the year stated, above and its historical cost equivalents.

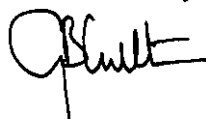
The notes on pages 6 to 8 form an integral part of the financial statements.

**CRANEHEATH SECURITIES LIMITED****BALANCE SHEET****30 September 1995**

	<u>Notes</u>	<u>£'000</u>	<u>1995</u> <u>£'000</u>	<u>£'000</u>	<u>1994</u> <u>£'000</u>
<b>CURRENT ASSETS</b>					
Debtors and prepayments	4	40		80	
Advances to customers	5	-		256	
Cash at bank and in hand		62		76	
		<hr/>		<hr/>	
		102		412	
<b>CREDITORS: due within one year</b>					
Sundry creditors and accruals	6	73		228	
Due to ultimate holding company		-		419	
		<hr/>		<hr/>	
		73		647	
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>					
			29		(235)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<hr/>	<hr/>	
			29		(235)
			<hr/>	<hr/>	
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		12,564		12,300
Profit and loss account			(14,535)		(14,535)
Capital reserve	8		2,000		2,000
			<hr/>		<hr/>
<b>EQUITY SHAREHOLDERS' FUNDS</b>					
	9		29		(235)
			<hr/>	<hr/>	

The financial statements on pages 4 to 8 were approved by the Board of Directors on 17th July 1996 and were signed on their behalf by:

G B Cuthbertson



Director

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

**CRANEHEATH SECURITIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 1995****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) Advances to customers are stated after provision for bad and doubtful debts.
- c) The Company has not presented a statement of cash flows for the current year as its ultimate parent company has complied with the requirements of Financial Reporting Standard 1.
- d) The Financial Statements have been prepared on a going concern basis based on the continued support of the holding company, Berisford plc.

**2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<u>1995</u> £'000	<u>1994</u> £'000
This is arrived at after charging:		
Auditors' remuneration	-	4
	<hr/>	<hr/>

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

**3. TAXATION**

The Company will not receive payment for tax losses surrendered under the group relief arrangement for 1995.

**4. DEBTORS AND PREPAYMENTS**

	<u>1995</u> £'000	<u>1994</u> £'000
Prepayments	40	80
	<hr/>	<hr/>

**CRANEHEATH SECURITIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 SEPTEMBER 1995****5. ADVANCES TO CUSTOMERS**

Of the advances to customers there are no amounts repayable by customers after more than one year (1994: £nil). Provision has been made against bad and doubtful debts, however every effort is being made to collect all outstanding advances.

**6. SUNDRY CREDITORS AND ACCRUALS**

	<u>1995</u> £'000	<u>1994</u> £'000
Provision for future legal costs	43	188
Accruals	30	40
	<hr/> 73	<hr/> 228

**7. SHARE CAPITAL**

Authorised		
12,563,775 Ordinary shares of £1 each	12,564	12,300
	<hr/>	<hr/>
Allotted, called up and fully paid		
12,563,775 Ordinary shares of £1 each	12,564	12,300
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At an Extraordinary General Meeting held on 27 September 1995 the authorised share capital of the Company was increased to £12,563,775 by the creation of 263,775 ordinary shares of £1 each. At a Directors' Meeting held on 27 September 1995, Berisford plc, the holding company and creditor, capitalised 263,775 of its intra-group loan and was allotted 263,775 ordinary shares of £1 at par. This capitalisation restored the solvency of the Company.



**CRANEHEATH SECURITIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 SEPTEMBER 1995****8. CAPITAL RESERVE**

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

**9. RECONCILIATION OF SHAREHOLDERS' FUNDS**

	<u>1995</u> £'000	<u>1994</u> £'000
At 1 October	(235)	(9,285)
Shares issued	264	9,300
Loss for year	-	(250)
At 30 September	<u>29</u>	<u>(235)</u>

**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 HOLDING COMPANY**

The ultimate holding company is Berisford plc, a company registered in England and Wales. The accounts of the ultimate holding company are available from The Secretary, Number One, Baker Street, London W1M 1AA.

**12. DIRECTORS' INTERESTS IN OTHER BERISFORD GROUP COMPANIES**

	Nominal value of Ordinary Shares Held	30 Sep. 1995	1 Oct. 1994 or date of appointment
Non beneficial interests of P F O'Connor in:			
Berisford Property Investments Limited	50p	1	1
S&W Berisford Limited	£1	1	1
J. H. Rayner (Mincing Lane) Limited	£1	1	1
Berisford Treasury Limited	£1	1	1
Turner Curzon Limited	5p	1	1