

CROWN BUCKLEY LIMITED
(Registered number 2809284)

DIRECTORS' REPORT AND ACCOUNTS

30 SEPTEMBER 2004



CROWN BUCKLEY LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their annual report and financial statements for the year ended 30 September 2004.

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 £54,000 (2003 - £107,000). At 30 September 2004 dividends of £53,000 (2003 - £nil) have been accrued, and the loss of £107,000(2003 - profit - £78,000) has been transferred to reserves.

DIRECTORS

The directors who held office in the year were:

C M Brain(Chairman)
J S Waddington
J Kerr
M S Reed
R P Davies (from 18 June 2004)
D P Bonney (until 18 June 2004)
P Jones (from 11 March 2004)
B Lansley (from 11 March 2004)
E L Ashford (until 11 March 2004)
M Hall (until 11 March 2004)

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 2004.

R E Thomas(Chairman of Advisory Committee)
EL Ashford
P Jones
B Lansley
M Hall
R Button
M Jenkins*
J Whitford*

* CIU representatives

CROWN BUCKLEY LIMITED

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 2004 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.

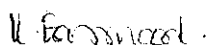
OWNERSHIP

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
Secretary
31 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

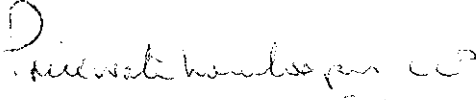
We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 2004 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
31 January 2004

CROWN BUCKLEY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2004

	<u>2004</u> £'000	<u>2003</u> £'000
INTEREST		
Interest receivable	-	254
	<hr/>	<hr/>
PROFIT BEFORE TAX	-	254
Taxation on profit on ordinary activities	-	(69)
	<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	-	185
Dividends – Non-equity shares (Note 2)	(107)	(107)
	<hr/>	<hr/>
RETAINED (LOSS)/ PROFIT FOR THE FINANCIAL YEAR	(107)	78
	<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.


CROWN BUCKLEY LIMITED

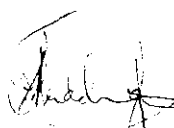
BALANCE SHEET 30 SEPTEMBER 2004

	2004 £'000	2003 £'000
CURRENT ASSETS		
Debtors (Note 3)	6,684	6,806
CREDITORS – Amounts falling due Within one year (Note 4)	(3,799)	(3,814)
TOTAL ASSETS LESS CURRENT LIABILITIES	2,885	2,992
CAPITAL AND RESERVES		
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)	28	135
Total shareholders' funds	2,885	2,992
Shareholders' funds are attributable to:		
Equity shareholders	30	137
Non-equity shareholders	2,855	2,855
	2,885	2,992

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 31 January 2004.


QM Brain
Chairman


JS Waddington
Director

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

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

1 ACCOUNTING POLICIES

Basis of accounting

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

2 DIVIDENDS

	<u>2004</u> £'000	<u>2003</u> £'000
Dividends paid in the year: 15% "A" preference shares	54	107
Dividend accrued but not due for payment	53	-
	<hr/> 107	<hr/> 107
	<hr/>	<hr/>

3 DEBTORS

	<u>2004</u> £'000	<u>2003</u> £'000
Amount due from group companies	6,684	6,806
	<hr/>	<hr/>

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

4 CREDITORS (amounts falling due within one year)

	<u>2003</u> £'000	<u>2002</u> £'000
Amount owed to group companies	3,698	3,698
Corporation Tax	-	69
Other taxation and social security	47	47
Preference dividend	54	-
	<hr/>	<hr/>
	3,799	3,814
	<hr/>	<hr/>

5 CALLED UP SHARE CAPITAL

	<u>2004 and 2003</u> £'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
	<hr/>
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
	<hr/>

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

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.

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

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 2004 and 30 September 2003 1,737

7 CAPITAL RESERVE

£'000

At 30 September 2004 and 30 September 2003 383

8 PROFIT AND LOSS ACCOUNT

£'000

At 1 October 2003 135
Loss for the year (107)

At 30 September 2004 28

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2004</u> £'000	<u>2003</u> £'000
Recognised gains for the period :		
Profit for the period	-	185
Dividends	(107)	(107)
	<hr/>	<hr/>
Net (decrease)/increase in shareholders' funds	(107)	78
Opening shareholders' funds	2,992	2,914
	<hr/>	<hr/>
Closing shareholders' funds	2,885	2,992
	<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>2004</u>	<u>At 30 September</u> <u>2003</u>
'A' preference shares		
J S Waddington	1,000	1,000
J Kerr	2,000	2,000
M S Reed	1,050	1,050
P Jones	100	100
B Lansley	252	252

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

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

12 TRANSACTIONS WITH DIRECTORS AND OFFICERS

Mr P Jones and Mr B Lansley are officers of clubs that 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 2004 the amounts due within the Group under such guarantees amounted to £35,304,000 (2003: £30,240,000). 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.