

GRANGEWORLD LIMITED
ABBREVIATED ACCOUNTS
FOR THE
YEAR ENDED 31 MARCH 2004

COMPANY REGISTRATION NUMBER 3032255



COHEN ARNOLD & CO.
Chartered Accountants & Registered Auditors
New Burlington House
1075 Finchley Road
LONDON NW11 0PU

GRANGEWORLD LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

CONTENTS	PAGES
Independent auditors' report to the company	1
Independent auditors' report to the shareholders	2 to 3
Abbreviated balance sheet	4
Notes to the abbreviated accounts	5 to 7

GRANGEWORLD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 7, together with the Financial Statements of the company for the year ended 31 March 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the Financial Statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the Financial Statements.

OPINION

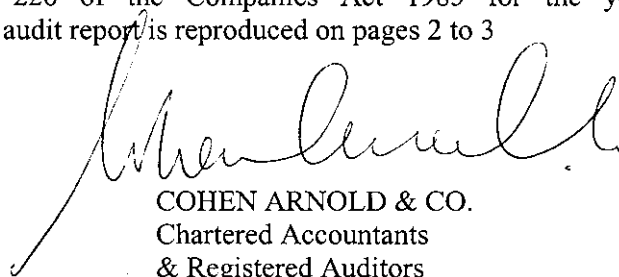
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 4 to 7 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 24/01/2005 we reported, as auditors of the company, to the shareholders on the Financial Statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 2004, and the full text of our audit report is reproduced on pages 2 to 3

New Burlington House
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24/01/2005



COHEN ARNOLD & CO.
Chartered Accountants
& Registered Auditors

GRANGEWORLD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GRANGEWORLD LIMITED

YEAR ENDED 31 MARCH 2004

We have audited the Financial Statements on pages 6 to 12 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on pages 8 to 9.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS

As described in the Statement of Director's Responsibilities the company's director is responsible for the preparation of the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Director's 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 director 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.

GRANGEWORLD LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
GRANGEWORLD LIMITED** *(continued)*

YEAR ENDED 31 MARCH 2004

**QUALIFIED OPINION ARISING FROM DEPARTURE FROM ACCOUNTING
STANDARDS**

The company's investment properties are included in the financial statements on the basis indicated in note 1 on accounting policies. This does not comply with the requirements of Statement of Standard Accounting Practice No. 19 which requires such properties to be stated at their open market value. However, as stated in their report, the directors are of the opinion that each of the company's investment properties has an open market value at least equal to the amount at which it is included in the financial statements.

Except for non-compliance with the requirements of Statement of Standard Accounting Practice No. 19, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies' Act 1985.

In our opinion the company is entitled to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts for the financial year ended 31 March 2004.



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24/01/2005

GRANGEWORLD LIMITED
ABBREVIATED BALANCE SHEET

31 MARCH 2004

	Note	2004 £	2003 £
FIXED ASSETS	2		
Tangible assets		3,950,000	3,950,000
Investments		<u>1</u>	<u>1</u>
		3,950,001	3,950,001
CURRENT ASSETS			
Debtors		688,766	630,308
Cash at bank and in hand		<u>2,467,549</u>	<u>2,896,311</u>
		3,156,315	3,526,619
CREDITORS: Amounts falling due within one year		<u>255,773</u>	<u>431,759</u>
NET CURRENT ASSETS		2,900,542	3,094,860
TOTAL ASSETS LESS CURRENT LIABILITIES		6,850,543	7,044,861
CREDITORS: Amounts falling due after more than one year	3	<u>5,811,803</u>	<u>6,047,845</u>
		1,038,740	997,016
CAPITAL AND RESERVES			
Called-up equity share capital	4	100	100
Profit and loss account		<u>1,038,640</u>	<u>996,916</u>
SHAREHOLDERS' FUNDS		1,038,740	997,016

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved and signed by the director on 24/01/2005

MR C D SCHLAFER
Director



The notes on pages 5 to 7 form part of these abbreviated accounts.

GRANGEWORLD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), subject to the departures referred to below.

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No. 1 "Cash flow statements".

Turnover

The turnover of the company is represented by sales proceeds for properties held for investment purposes coupled with rents and charges receivable.

Fixed assets

All fixed assets are initially recorded at cost.

Investment properties

Investment properties are included in the balance sheet at historical cost, which is not in accordance with Statement of Standard Accounting Practice No. 19, which requires such properties to be stated at their open market value.

Depreciation

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation or amortisation is provided in respect of freehold investment properties nor on leasehold investment properties having an unexpired term of more than twenty years. This departure from the requirements of the Companies Act 1985, for all properties to be depreciated, is necessary, as the director consider that this accounting policy results in the financial statements giving a true and fair view.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

GRANGEWORLD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES *(continued)*

Consolidation

The company forms part of a medium sized group. The ultimate parent company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Format of the financial statements

The financial statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 with suitable adaptation thereof which the director consider to be appropriate having regard to the nature of the company's activities.

2. FIXED ASSETS

	Tangible Assets £	Investments £	Total £
COST			
At 1 April 2003 and 31 March 2004	<u>3,950,000</u>	<u>1</u>	<u>3,950,001</u>
NET BOOK VALUE			
At 31 March 2004	<u>3,950,000</u>	<u>1</u>	<u>3,950,001</u>
At 31 March 2003	<u>3,950,000</u>	<u>1</u>	<u>3,950,001</u>

The company owns 1 share of the issued share capital of Transline Properties Limited, a company incorporated in England and Wales.

	2004 £	2003 £
Aggregate capital and reserves as at 31 May 2003		
Transline Limited	—	511,800
Profit and (loss) for the period ended 31 May 2003		
Transline Limited	—	219,234

Due to year end differences between Transline Properties Ltd and Grangworld Limited, disclosure data for Transline Properties Limited for the year ended 31 May 2004 can not be made.

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

GRANGEWORLD LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

3. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2004	2003
	£	£
Bank loans and overdrafts	<u>5,811,803</u>	<u>6,047,845</u>

4. SHARE CAPITAL

Authorised share capital:

	2004	2003
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2004		2003	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

5. ULTIMATE PARENT COMPANY

The parent company is Sabreleague Limited, a company incorporated in England and Wales.