

CORNWALL LIFE LIMITED

Registered number 3135194

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2003



CORNWALL LIFE LIMITED

Registered number 3135194

DIRECTORS

J O Ellison
J A Fry
A D Jeakings

SECRETARY

J O Ellison

AUDITORS

Ernst & Young LLP
Compass House
80 Newmarket Road
Cambridge
CB5 8DZ

SOLICITORS

Eversheds
Holland Court
The Close
Norwich
NR1 4DX

REGISTERED OFFICE

Prospect house
Rouen Road
Norwich
NR1 1RE

CORNWALL LIFE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2003.

CHANGE OF NAME

On 22 May 2003, the company changed its name from CML Services Limited to Cornwall Life Limited.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company did not trade during the year.

DIRECTORS AND THEIR INTERESTS

The directors who have served during the year were as follows:

J O Ellison
J A Fry
A D Jeakings

None of the directors at 31 December 2003 had any interests in the share capital of the company.

Mr J A Fry and Mr A D Jeakings were also directors of the holding company at 31 December 2003 and have declared their interests in the shares of the holding company in that company's *financial statements*.

Mr J O Ellison had the following interests in the shares of the holding company:

| | December 31, 2002 | December 31, 2003 |
|-----------------------------|-------------------|-------------------|
| Ordinary shares of 20p each | 12,180 | 15,577 |

CORNWALL LIFE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial period 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 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; and

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 the financial statements comply with the above requirements.

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.

By order of the Board,



JO Ellison
Secretary

19 July 2004

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNWALL LIFE LIMITED

We have audited the company's financial statements for the year ended 31 December 2003 which comprise the Balance Sheet and the related notes 1 to 7. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and 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 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 with the company is not disclosed. We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

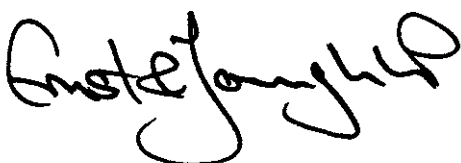
Basis of audit opinion

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 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 affairs of the company as at 31 December 2003 and have been properly prepared in accordance with the Companies Act 1985.

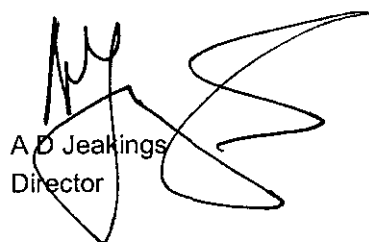


Ernst & Young LLP
Registered Auditor
Cambridge
19 July 2004

CORNWALL LIFE LIMITED**BALANCE SHEET - 31 DECEMBER 2003**

| | Note | 2003 £ | 2002 £ |
|-----------------------------------|------|------------|------------|
| CURRENT ASSETS | | | |
| Debtors | 3 | 324 | 324 |
| NET ASSETS | | <u>324</u> | <u>324</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 4 | 2 | 2 |
| Profit and loss account | | 322 | 322 |
| EQUITY SHAREHOLDERS' FUNDS | | <u>324</u> | <u>324</u> |

These financial statements were approved by the Board of Directors
on 19 July 2004 and signed on its behalf by:


A.D. Jeakings
Director

The note on page 7 forms part of these financial statements.

CORNWALL LIFE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and are drawn up in accordance with applicable Accounting Standards.

2 PROFIT AND LOSS ACCOUNT

The company has not traded during the year and accordingly it has made neither a profit nor a loss. No profit and loss account has therefore been prepared.

| 3 DEBTORS | 2003 £ | 2002 £ |
|-------------------------------------|-----------|-----------|
| Balance due from parent undertaking | 324 | 314 |
| Corporation tax | - | 10 |
| | <hr/> 324 | <hr/> 324 |

| 4 CALLED UP SHARE CAPITAL | 2003 £ | 2002 £ |
|---------------------------|-----------|-----------|
|---------------------------|-----------|-----------|

The Company's share capital at 31 December was as follows :

Authorised

| | | |
|--------------------------------|-----|-----|
| 100 ordinary shares of £1 each | 100 | 100 |
|--------------------------------|-----|-----|

Allotted, called up and fully paid

| | | |
|------------------------------|---|---|
| 2 ordinary shares of £1 each | 2 | 2 |
|------------------------------|---|---|

5 ULTIMATE PARENT UNDERTAKING

At 31 December 2003, the parent undertaking for which group accounts are drawn up and of which the company was a member was Archant Limited, registered in England and Wales. Copies of that company's accounts can be obtained from The Registrar, Companies House, Crown Way, Maindy, Cardiff.

6 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions in FRS 8 from disclosing transactions with related parties that are part of the Archant Limited group.

7 CASH FLOW STATEMENT

The Company has taken advantage of the dispensation under FRS1 Section 8 (c) not to publish a cash flow statement. The cash flow statement of the Group is published in the accounts of Archant Limited.