



SKELGATE HOLDINGS LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2002**

Company no. 3312588

SKELGATE HOLDINGS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2002

Company registration number:

3312588

Registered office:

Garonor Way
Royal Portbury Dock
North Somerset
BS20 7XX

Directors:

R J Jenkins
R G Wilson

Secretary:

R G Wilson

Auditors:

Grant Thornton
Registered Auditors
Chartered Accountants

SKELGATE HOLDINGS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2002

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SKELGATE HOLDINGS LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the year ended 30 September 2002.

Principal activities

The company did not trade during the year. There has been no income or expenditure and no change has arisen in the position of the company. Any expenses have been met by the holding company.

Directors

The present membership of the Board is set out below. All directors served throughout the year.

R J Jenkins
R G Wilson

The directors had no interest in the shares of the company.

Directors' responsibilities for the financial statements

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 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;

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



R G Wilson
Director

2 June 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SKELGATE HOLDINGS LIMITED**

We have audited the financial statements of Skelgate Holdings Limited for the year ended 30 September 2002 which comprise the balance sheet and notes 1 to 4. These financial statements have been prepared under 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 the directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with 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.

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.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

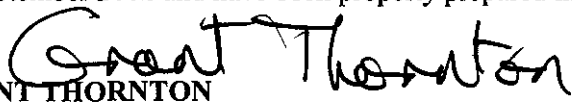
We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SKELGATE HOLDINGS LIMITED (CONTINUED)**

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2002 and have been properly prepared in accordance with the Companies Act 1985.


**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

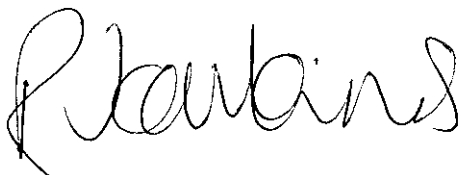
**BRISTOL
2 June 2003**

SKELGATE HOLDINGS LIMITED

BALANCE SHEET AT 30 SEPTEMBER 2002

	Note	2002 £	2001 £
Fixed assets			
Investments	2	200,100	200,100
Current liabilities			
Amounts owed to parent undertaking		<u>(36,187)</u>	<u>(36,187)</u>
Total assets less current liabilities		<u>163,913</u>	<u>163,913</u>
Capital and reserves			
Called up share capital	3	200,090	200,090
Share premium account		611	611
Profit and loss account		<u>(36,788)</u>	<u>(36,788)</u>
		<u>163,913</u>	<u>163,913</u>

The financial statements were approved by the Board of Directors on 2 June 2003.



R J Jenkins
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

SKELGATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2002

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

2 INVESTMENTS

	Shares in group undertakings (unlisted) £
Cost At 1 October 2001 and 30 September 2002	<u>200,100</u>
Net book amount At 30 September 2002	<u>200,100</u>

At 30 September 2002, the company held more than 20% of the allotted share capital of the following:

	Class of capital held	Proportion held	Nature of business
Subsidiary undertakings			
SHL Delivery Plus Limited	Ordinary	100%	Dormant

The company is exempt from preparing group accounts under the provisions of s228(2) of the Companies Act 1985 as the financial statements of the company and its subsidiary and joint venture undertakings have been included in the consolidated financial statements of its parent undertaking, Lane Group plc.

3 SHARE CAPITAL

	2002 & 2001 £
Authorised 1,000,000 ordinary shares of £1 each	<u>1,000,000</u>
Allotted, called up and fully paid 200,090 ordinary shares of £1 each	<u>200,090</u>

4 CONTROLLING RELATED PARTY

The ultimate parent undertaking of this company is Lane Group plc.

The ultimate controlling related parties are Mr P Lane, Mrs J M Lane and Mrs R J Jenkins by virtue of their shareholdings in Lane Group plc.