

Registered number: 03517404

CRANLEY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 NOVEMBER 2002**



PM&M
Chartered Accountants
83 Bank Parade
Burnley
BB11 1UG

COMPANY INFORMATION

DIRECTORS	Mr RRE Christopher Mrs BR Christopher Mr BJ Christopher
SECRETARY	Mr RRE Christopher
COMPANY NUMBER	03517404
REGISTERED OFFICE	11 Acresbrook Road Higham Burnley Lancashire
AUDITORS	PM&M Chartered Accountants & Registered Auditors 83 Bank Parade Burnley BB11 1UG

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DIRECTORS' REPORT

For the year ended 30 November 2002

The directors present their report and the financial statements for the year ended 30 November 2002.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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;
- 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.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of a holding company.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	B Ordinary shares of £1 each		C Ordinary shares of £1 each		D Ordinary shares of £1 each	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Mr RRE Christopher	8	8	-	-	-	-
Mrs BR Christopher	-	-	19	19	-	-
Mr BJ Christopher	-	-	-	-	19	19

AUDITORS

The auditors, PM&M, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 11 April 2003 and signed on its behalf.



Mr RRE Christopher
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CRANLEY LIMITED

We have audited the financial statements of Cranley Limited for the year ended 30 November 2002 set out on pages 5 to 9. These financial statements 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 page 7.

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 auditor's 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 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 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.

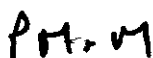
BASIS OF AUDIT OPINION

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.

UNQUALIFIED OPINION

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

**PM&M**

Chartered Accountants
Registered Auditors
BB11 1UG

11 April 2003

PROFIT AND LOSS ACCOUNT
For the year ended 30 November 2002

	Note	2002 £	2001 £
Administrative expenses		(1,469)	(688)
OPERATING LOSS	2	(1,469)	(688)
Income from other fixed asset investments		189,049	71,049
Loss on disposal of investments		-	(3,105)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		187,580	67,256
TAX ON PROFIT ON ORDINARY ACTIVITIES		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		187,580	67,256
DIVIDENDS	3	(184,000)	(66,000)
RETAINED PROFIT FOR THE FINANCIAL YEAR		3,580	1,256
LOSS BROUGHT FORWARD		(50,618)	(51,874)
LOSS CARRIED FORWARD		<u>£ (47,038)</u>	<u>£ (50,618)</u>

The notes on pages 7 to 9 form part of these financial statements.

BALANCE SHEET
As at 30 November 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Investments	4	58,795	58,795
CREDITORS: amounts falling due within one year	5	<u>(105,733)</u>	<u>(109,313)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ (46,938)</u>	<u>£ (50,518)</u>
CAPITAL AND RESERVES			
Called up share capital	6	100	100
Profit and loss account		(47,038)	(50,618)
SHAREHOLDERS' FUNDS		<u>£ (46,938)</u>	<u>£ (50,518)</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the board on 11 April 2003 and signed on its behalf.

B. C. H. S. G. P.

Director

The notes on pages 7 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 November 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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).

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The financial statements 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 the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

2. OPERATING LOSS

The operating loss is stated after charging:

	2002 £	2001 £
Auditors' remuneration	588	673
	<u>588</u>	<u>673</u>

During the year, no director received any emoluments (2001 - £nil).

3. DIVIDENDS

	2002 £	2001 £
On equity shares		
Equity - Ordinary Class B shares	36,000	36,000
Equity - Ordinary Class C & D Shares	148,000	30,000
	<u>184,000</u>	<u>66,000</u>
	£ 184,000	£ 66,000

4. FIXED ASSET INVESTMENTS

	Shares in group under- takings £	Total £
Cost		
At 1 December 2001 and 30 November 2002	£ 58,795	£ 58,795
	<u>58,795</u>	<u>58,795</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 November 2002

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Greymount Properties Limited	Accommodation
Highway (Burnley) Limited	Provision of care
Tanis Developments Limited	Letting of property

The aggregate of the share capital and reserves as at 30 November 2002 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Greymount Properties Limited	321,539	197,079
Highway (Burnley) Limited	13,136	57,402
Tanis Developments Limited	(182)	56,322
	<u> </u>	<u> </u>

The company is not required to prepare group financial statements as it has taken advantage of the exemptions available under S248 of the Companies Act 1985.

All the overdrafts and loans within the group are secured by cross guarantees and debentures between all the companies in the group.

5. CREDITORS:

Amounts falling due within one year

	2002 £	2001 £
Amounts owed to group undertakings	80,305	84,640
Other creditors	25,428	24,673
	<u> </u>	<u> </u>
	£ 105,733	£ 109,313
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 November 2002**6. SHARE CAPITAL**

	2002	2001
	£	£
Authorised		
2,500 A Ordinary shares of £1 each	2,500	2,500
2,500 B Ordinary shares of £1 each	2,500	2,500
2,500 C Ordinary shares of £1 each	2,500	2,500
2,500 D Ordinary shares of £1 each	2,500	2,500
	<u>£ 10,000</u>	<u>£ 10,000</u>
Allotted, called up and fully paid		
38 A Ordinary shares of £1 each	38	38
24 B Ordinary shares of £1 each	24	24
19 C Ordinary shares of £1 each	19	19
19 D Ordinary shares of £1 each	19	19
	<u>£ 100</u>	<u>£ 100</u>