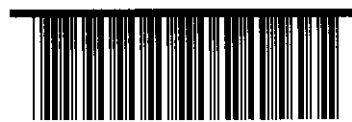


CROWN BUCKLEY LIMITED
(Registered number 2809284)

DIRECTORS' REPORT AND ACCOUNTS

30 SEPTEMBER 2000



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CROWN BUCKLEY LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their annual report and financial statements for the year ended 30 September 2000.

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 £107,000 (1999 - £107,000). At 30 September 2000 dividends of £Nil (1999 - £9,000) have been accrued, and the loss of £98,000 (1999 - profit - £33,000) has been transferred to reserves.

DIRECTORS

The directors who held office in the year were:

C M Brain	(Chairman)
MAJ Salter	
RB Cunningham	
JS Barrett	
ME James	
JW Glazzard	
JR Thomas	
I Evans	(Appointed 13 April 2000)
E Ashford	(Appointed 13 April 2000)
A R Button	(Resigned 13 April 2000)
R E Thomas	(Resigned 13 April 2000)

Details of directors' interests in the share capital of the company are shown in note 12 to the accounts.

CROWN BUCKLEY LIMITED

DIRECTORS' REPORT (CONTINUED)

ADVISORY COMMITTEE

The following persons were members of the Advisory Committee, authorised to represent the holders of 'A' preference shares, at 30 September 2000.

I Evans (Chairman of Advisory Committee)

EL Ashford

P Jones

B Lansley

RE Thomas

M Jenkins*

J Whitford*

R Button

* CIU representatives

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by law to prepare accounts each year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss for the year.

The directors are responsible for maintaining adequate accounting records, safeguarding the assets of the company and preventing and detecting fraud and other irregularities.

The directors confirm that the accounts have been prepared using suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. The directors also confirm that the accounts have been prepared following applicable accounting standards. The directors consider it appropriate to prepare the accounts on a going concern basis.

CROWN BUCKLEY LIMITED

DIRECTORS' REPORT (CONTINUED)

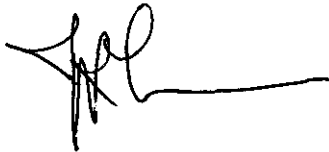
OWNERSHIP

The company is a wholly owned subsidiary of S A Brain and Company Limited.

AUDITORS

PricewaterhouseCoopers have indicated their willingness to be re-appointed and a resolution concerning their appointment will be submitted to the Annual General Meeting.

By Order of the Board

A handwritten signature in black ink, appearing to be 'JR Thomas', with a long horizontal line extending to the right.

JR Thomas

Secretary

26 January 2001

AUDITORS' REPORT TO THE SHAREHOLDERS OF CROWN BUCKLEY LIMITED

We have audited the financial statements on pages 5 to 13, which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 2, the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 became aware of any apparent misstatements or material inconsistencies with the financial statements.


Basis of 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Cardiff

26 January 2001

CROWN BUCKLEY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2000

	<u>2000</u> £'000	<u>1999</u> £'000
INTEREST		
Interest receivable	-	200
	-----	-----
PROFIT BEFORE TAXATION	-	200
Taxation on profit on ordinary activities (Note 2)	-	(60)
	-----	-----
PROFIT FOR THE FINANCIAL YEAR	-	140
Dividends – Non-equity shares (Note 3)	(98)	(107)
	-----	-----
RETAINED LOSS/PROFIT FOR THE FINANCIAL YEAR	(98)	33
	=====	=====

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 loss for the financial year includes all recognised gains and losses in the year.

The notes on pages 7 to 13 form an integral part of these accounts.

CROWN BUCKLEY LIMITED

BALANCE SHEET 30 SEPTEMBER 2000

	<u>2000</u> £'000	<u>1999</u> £'000
CURRENT ASSETS		
Debtors (Note 4)	6,873	7,007
CREDITORS – Amounts falling due within one year (Note 5)	(3,745)	(3,781)
	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES	3,128	3,226
	<hr/> <hr/>	<hr/> <hr/>
CAPITAL AND RESERVES		
Called up share capital (Note 6)	737	737
Share premium account (Note 7)	1,737	1,737
Capital reserve (Note 8)	383	383
Profit and loss account (Note 9)	271	369
	<hr/>	<hr/>
Total shareholders' funds	3,128	3,226
	<hr/> <hr/>	<hr/> <hr/>
Shareholders' funds are attributable to:		
Equity shareholders	267	365
Non-equity shareholders	2,861	2,861
	<hr/>	<hr/>
	3,128	3,226
	<hr/> <hr/>	<hr/> <hr/>

The company is exempt from the obligation to prepare and deliver group accounts under Section 228 of the Companies Act 1985. Accordingly, these financial statements present information about the company as an individual undertaking and not about its group.

These accounts were approved by the directors on 26 January 2001.


CM Brain
Chairman


JS Barrett
Director

The notes on pages 7 to 13 form an integral part of these accounts.

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2000

1 ACCOUNTING POLICIES

(i) Basis of accounting

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

2 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<u>2000</u> £'000	<u>1999</u> £'000
Based on the profit on ordinary activities for the year :		
UK Corporation tax at 30% (1999 – 30%)	-	60
UK Corporation tax overprovided in prior years	-	-
ACT written off	-	-
	<hr/>	<hr/>
	-	60
	<hr/> <hr/>	<hr/> <hr/>

The company is a close company within the meaning of Section 414 of the Income and Corporation Taxes Act 1988.

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2000 (CONTINUED)

3 DIVIDENDS

	<u>2000</u> £'000	<u>1999</u> £'000
Dividends paid in the year: 15% "A" preference shares	107	107
Dividend accrued but not due for payment		
- at beginning of year	(9)	(9)
- at end of year	-	9
	-----	-----
	98	107
	=====	=====

4 DEBTORS

	<u>2000</u> £'000	<u>1999</u> £'000
Amount due from parent company	6,873	7,007
	=====	=====

5 CREDITORS (amounts falling due within one year)

	<u>2000</u> £'000	<u>1999</u> £'000
Amount owed to subsidiary	3,698	3,698
Other taxation and social security	47	74
Dividends accrued	-	9
	-----	-----
	3,745	3,781
	=====	=====

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2000 (CONTINUED)

6 CALLED UP SHARE CAPITAL

	<u>2000 and 1999</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
	—
	741
	====
	<u>2000 and 1999</u> £'000
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
	—
	737
	====

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

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2000 (CONTINUED)

6 CALLED UP SHARE CAPITAL (CONTINUED)

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 1999, 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.

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

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2000 (CONTINUED)

7 SHARE PREMIUM ACCOUNT

£'000

At 30 September 2000 and 30 September 1999

1,737

8 CAPITAL RESERVE

£'000

At 30 September 2000 and 30 September 1999

383

9 PROFIT AND LOSS ACCOUNT

£'000

At 1 October 1999

369

Retained profit for the year

-

Less dividend charged in year

(98)

At 30 September 2000

271

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

2000
£'000

1999
£'000

Recognised gains for the period :

Profit for the period

-

140

Dividends

(98)

(107)

Net (decrease)/increase in shareholders' funds

(98)

33

Opening shareholders' funds

3,226

3,193

Closing shareholders' funds

3,128

3,226

CROWN BUCKLEY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2000 (CONTINUED)

11 PENSION SCHEME

The company operates a defined benefit pension scheme 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.

An actuarial valuation of the scheme was carried out by a qualified actuary as at 30 June 1998. The projected unit credit actuarial method was used and the principal actuarial assumptions adopted for the valuation of liabilities were: an investment return of 8.5% per annum, salary increases of 7% per annum, and future pension increases of 4.5% per annum where such increases are to be in line with Limited Price Indexation. For the valuation of scheme assets, it was further assumed that future dividend growth would be at the rate of 5% per annum.

The valuation showed that the value of the scheme's assets represented 108% of its liabilities. The market value of assets was approximately £13.0 million as at 30 June 1998. (This figure excludes the value of the annuity policies held in respect of certain pensioners. These policies were valued as part of the 1998 actuarial valuation, their market value being approximately £1.3 million).

12 DIRECTORS

The beneficial shareholdings of the directors (including their families) in the company were as follows:

	<u>At 30 September 2000</u>	<u>At 30 September 1999</u>
'A' preference shares		
MAJ Salter	1,005	1,005
RB Cunningham	4,805	4,305
JS Barrett	4,300	3,800
JR Thomas	1,100	800
P Jones	100	100
B Lansley	252	252
A R Button	62	62
R E Thomas	1,255	1,255
I Evans	2,031	2,031
E Ashford	1,849	1,848

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 2000 (CONTINUED)

13 TRANSACTIONS WITH DIRECTORS AND OFFICERS

Mr E Ashford and Mr I Evans held positions as officers of clubs which 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.

14 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 2000 the amounts due within the Group under such guarantees amounted to £13,635,000 (1999: £15,150,000). The directors do not anticipate any liabilities arising as a result of these guarantees.

15 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.

16 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.