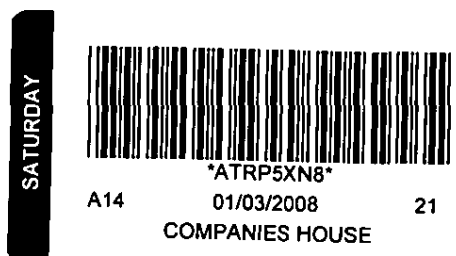


COMPANY REGISTRATION NUMBER 4340639

The Franklyn Group Limited
Abbreviated Accounts
30th June 2007



JOLLIFFE CORK LLP
Chartered Accountants & Registered Auditors
33 George Street
Wakefield
WF1 1LX

The Franklyn Group Limited

Abbreviated Accounts

Year Ended 30th June 2007

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The Franklyn Group Limited

Independent Auditor's Report to the Franklyn Group Limited

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of The Franklyn Group Limited for the year ended 30th June 2007 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Directors and the Auditor

The directors are 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out below.

In common with many other businesses of its size and nature the company uses its auditors to prepare and submit returns to the tax authorities and assist with the preparation of 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 Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

33 George Street
Wakefield
WF1 1LX

15th February 2008



JOLLIFFE CORK LLP
Chartered Accountants
& Registered Auditors

The Franklyn Group Limited

Abbreviated Balance Sheet

30th June 2007

| | Note | 2007 | | 2006 | |
|--|----------|----------------|------------------|----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed Assets | 2 | | | | |
| Intangible assets | | | 55,417 | | 65,417 |
| Tangible assets | | | 8,906,029 | | 8,890,830 |
| Investments | | | 2,000 | | 2,000 |
| | | | <u>8,963,446</u> | | <u>8,958,247</u> |
| Current Assets | | | | | |
| Stocks | | 4,350 | | 4,350 | |
| Debtors | | 347,320 | | 371,290 | |
| Cash at bank and in hand | | 183,715 | | 82,201 | |
| | | <u>535,385</u> | | <u>457,841</u> | |
| Creditors: Amounts Falling due Within One Year | 3 | <u>533,032</u> | | <u>749,574</u> | |
| Net Current Assets/(Liabilities) | | | <u>2,353</u> | | <u>(291,733)</u> |
| Total Assets Less Current Liabilities | | | <u>8,965,799</u> | | <u>8,666,514</u> |
| Creditors: Amounts Falling due after More than One Year | 4 | | <u>3,096,101</u> | | <u>2,961,951</u> |
| | | | <u>5,869,698</u> | | <u>5,704,563</u> |
| Capital and Reserves | | | | | |
| Called-up equity share capital | 5 | | 1,000 | | 1,000 |
| Revaluation reserve | | | 5,138,415 | | 5,138,415 |
| Profit and loss account | | | 730,283 | | 565,148 |
| Shareholders' Funds | | | <u>5,869,698</u> | | <u>5,704,563</u> |

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

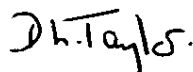
These abbreviated accounts were approved by the directors on 15th February 2008 and are signed on their behalf by



Mr R A Fleming



S A MacArthur



D L Taylor

The notes on pages 3 to 5 form part of these abbreviated accounts

The Franklyn Group Limited

Notes to the Abbreviated Accounts

Year Ended 30th June 2007

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Goodwill - 10% straight line

Fixed Assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

| | |
|---------------------|------------------------|
| Fixtures & Fittings | - 15% straight line |
| Motor Vehicles | - 25% reducing balance |
| Equipment | - 15% straight line |

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax

The Franklyn Group Limited

Notes to the Abbreviated Accounts

Year Ended 30th June 2007

2. Fixed Assets

| | Intangible Assets £ | Tangible Assets £ | Investments £ | Total £ |
|--------------------------|---------------------------|-------------------------|------------------|------------------|
| Cost or Valuation | | | | |
| At 1st July 2006 | 100,000 | 8,998,244 | 2,000 | 9,100,244 |
| Additions | – | 58,177 | – | 58,177 |
| At 30th June 2007 | 100,000 | 9,056,421 | 2,000 | 9,158,421 |
| Depreciation | | | | |
| At 1st July 2006 | 34,583 | 107,414 | – | 141,997 |
| Charge for year | 10,000 | 42,978 | – | 52,978 |
| At 30th June 2007 | 44,583 | 150,392 | – | 194,975 |
| Net Book Value | | | | |
| At 30th June 2007 | 55,417 | 8,906,029 | 2,000 | 8,963,446 |
| At 30th June 2006 | 65,417 | 8,890,830 | 2,000 | 8,958,247 |

3. Creditors: Amounts Falling due Within One Year

The following liabilities disclosed under creditors falling due within one year are secured by the company

| | 2007 £ | 2006 £ |
|---------------------------|---------------|----------------|
| Bank loans and overdrafts | <u>55,055</u> | <u>364,260</u> |

4. 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

| | 2007 £ | 2006 £ |
|---------------------------|------------------|------------------|
| Bank loans and overdrafts | <u>2,156,370</u> | <u>1,902,220</u> |

5. Share Capital

Authorised share capital:

| | 2007 £ | 2006 £ |
|----------------------------------|--------------|--------------|
| 1,000 Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |

Allotted, called up and fully paid:

| | 2007 No | £ | 2006 No | £ |
|----------------------------|--------------|--------------|--------------|--------------|
| Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |

The Franklyn Group Limited

Notes to the Abbreviated Accounts

Year Ended 30th June 2007

6. Post Balance Sheet Events

On 31 July 2007 the company sold its share holding in The Franklyn Developments Limited to The Franklyn Long Term Care Limited for a sum of £1,500,000 which was considered by the directors to be the market value

The Franklyn Long Term Care Limited is a related party of The Franklyn Group Limited by way of common ownership and directorship