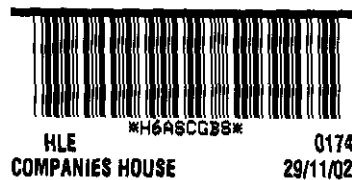


Brightside & Carbrook Services Limited

**Directors' report and financial
statements**

Registered number 2997069

31 January 2002



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 January 2002.

Principal activities

The company wholesales coffins and leases hearses to Brightside & Carbrook Co-operative Chemists Limited, a company which is a member of the same group.

Business review

The financial statements for the year ended 31 January 2002 show a profit of £Nil (2001: £Nil).

The directors do not recommend the payment of a dividend (2001: £Nil).

Details of the movement on reserves are shown in the notes to the financial statements.

Directors and directors' interests

The directors who held office during the year were as follows:

Mr JL French
Mr WH Twigg MBE

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company or any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Auditors

KPMG, the company's auditor, transferred its business to KPMG LLP during May 2002. A resolution for the re-appointment of KPMG LLP is to be proposed at the forthcoming Annual General Meeting.

By order of the board



WH Twigg
Director

Castle House
Angel Street
Sheffield
S3 8LS

28 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



1 The Embankment
Neville Street
Leeds
LS1 4DW

Independent auditors' report to the members of Brightside & Carbrook Services Limited

We have audited the financial statements on pages 4 to 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 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.

Basis of audit 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 as at 31 January 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP
KPMG LLP
Chartered Accountants
Registered Auditors

28 November 2002

Revenue account
for the year ended 31 January 2002

	<i>Note</i>	2002 £	2001 £
Turnover	2	78,000	78,000
Cost of sales		(39,751)	(43,585)
Gross profit		38,249	34,415
Administration expenses		(38,249)	(34,415)
Operating profit	3	-	-
Profit on ordinary activities before and after taxation	5	-	-
Retained profit for the year		-	-

All of the above turnover and profit for the year is derived from continuing operations and there were no discontinued activities during the year.

All of the recognised gains and losses during the year passed through the profit and loss account.

Balance sheet
at 31 January 2002

	Note	2002 £	2001 £
Fixed assets			
Tangible assets	6	168,059	207,810
Total assets less current liabilities		168,059	207,810
Creditors: amounts falling due after more than one year	7	(168,057)	(207,808)
Net assets		2	2
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		-	-
Equity shareholders' funds		2	2

These financial statements were approved by the board of directors on 28 November 2002 and were signed on its behalf by:



WH Twigg
 Director

Reconciliation of movements in shareholders' funds
for the year ended 31 January 2002

	2002 £	2001 £
Profit for the financial year	-	-
Dividends	-	-
	<hr/>	<hr/>
Net addition to shareholders' funds	-	-
Opening shareholders' funds	2	2
	<hr/>	<hr/>
Closing shareholders' funds	2	2
	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements. During the year the company has adopted the transitional provisions of FRS 17 "Retirement Benefits" and FRS 19 "Deferred Taxation" in the accounts. The comparative figures have been restated accordingly for the implementation of FRS 19.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Motor vehicles	-	15% per annum
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Taxation

This subsidiary together with the other subsidiaries of Sheffield Co-operative Society Limited is managed on a group basis.

Sheffield Co-operative Society Limited therefore has agreed to meet the taxation liabilities (both current and deferred) of this subsidiary. Therefore there is no tax charge, provision or deferred tax provision shown in this subsidiary. The tax charge, provision and deferred tax provision for the group is shown in Sheffield Co-operative Society Limited.

Turnover

Current tax provision is made for the estimated liability arising on the profits for the year.

Deferred tax has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is not recognised to the extent that the transfer of the economic benefit in the future is uncertain. Deferred tax assets on liabilities recognised have not been discounted.

Related party transactions

As the company is a wholly owned subsidiary of Sheffield Co-operative Society Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Sheffield Co-operative Society Limited, within which this company is included, can be obtained from the address in note 9.

Notes *(continued)*

2 Turnover

	2002 £	2001 £
Leasing of hearses	78,000	78,000

3 Operating profit

	2002 £	2001 £
<i>Operating profit is stated</i>		
<i>after charging</i>		
Auditors' remuneration:		
Audit	500	500
Depreciation and other amounts written off tangible fixed assets:		
Owned	39,751	43,585
Loss on sale of fixed assets	-	2,600

4 Remuneration of directors

None of the directors received any emoluments in respect of their services to the company during the year (2001: £Nil).

Notes (continued)

5 Taxation

	2002 £	2001 £
Profit on ordinary activities before tax	-	-
Current tax at 30% (2001: 30%)	-	-

6 Tangible fixed assets

	Motor vehicles £
<i>Cost</i>	
At beginning and end of year	433,218
<i>Depreciation</i>	
At beginning of year	225,408
Charge for year	39,751
At end of year	265,159
<i>Net book value</i>	
At 31 January 2002	168,059
At 31 January 2001	207,810

7 Creditors: amounts falling due after more than one year

	2002 £	2001 £
Amounts owed to parent undertaking	168,057	207,808

Notes (continued)

8 Called up share capital

	2002	2001
	£	£
<i>Authorised</i>		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

9 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of, and is controlled by, Sheffield Co-operative Society Limited registered in England and Wales.

The consolidated accounts of Sheffield Co-operative Society Limited are available to the public from Castle House, Angel Street, Sheffield, S3 8LS.