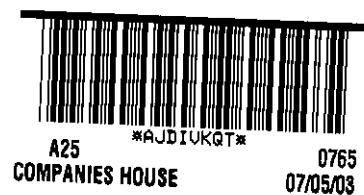


Company Registration No. 2027063 (England and Wales)

HUNT AND PALMER PLC
ANNUAL REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2002



HUNT AND PALMER PLC

DIRECTORS AND ADVISERS

Directors	P.R. Hunt J.S. Martin J.F. Palmer
Secretary	J.F. Palmer
Company number	2027063
Registered office	29/30 Fitzroy Square London W1T 6LQ
Registered auditors	Goodman Jones 29/30 Fitzroy Square London W1T 6LQ
Business address	The Tower Goff's Park Road Crawley West Sussex RH11 8XX
Bankers	National Westminster Bank plc 125 Great Portland Street London W1A 1GA

HUNT AND PALMER PLC

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Consolidated profit and loss account	4
Statement of recognised gains and losses	5
Balance sheets	6
Consolidated cash flow statement	7
Notes to the consolidated cash flow statement	8
Notes to the financial statements	9 - 10

HUNT AND PALMER PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2002

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

Directors

The following directors have held office since 1 December 2001:

P.R. Hunt
J.S. Martin
J.F. Palmer

Principal activities and review of the business

The principal activity of the group remains that of international aircraft chartering.

The main area of profit - the financial sector - has continued to decline and the group is therefore developing new areas of business and expanding geographically. The French subsidiary has experienced very tough trading and its cost base has been trimmed to match market conditions.

The directors remain confident about the long-term future of the company.

Results and dividends

The consolidated profit and loss account for the year is set out on page 4.

The directors do not recommend payment of a dividend.

Directors' interests

The directors' interests in the ordinary shares of the company were as stated below

	30 November 2002	1 December 2001
P R Hunt	16,667	16,667
J S Martin	16,667	16,667
J F Palmer	16,667	16,667

Charitable Donations

	2002 £	2001 £
During the year the company made the following payments:		
Charitable donations	184	578

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Creditor payment policy

The group's policy is to settle its outstanding trade creditors within the terms agreed with individual suppliers.

The average number of days credit taken for trade purchases for the year ended 30 November 2002 was 31 (2001: 30 days).

HUNT AND PALMER PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Goodman Jones be reappointed as auditors of the company will be put to the Annual General Meeting.

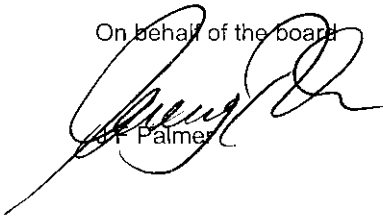
Directors' responsibilities

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 group and of the profit or loss of the group 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



of Palmer

3 February 2003

HUNT AND PALMER PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HUNT AND PALMER PLC

We have audited the financial statements of Hunt and Palmer Plc on pages 4 to 10 for the year ended 30 November 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 2 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 and the group'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 and the group's affairs as at 30 November 2002 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Goodman Jones

Chartered Accountants
Registered Auditor

3 February 2003

29/30 Fitzroy Square
London
W1T 6LQ

HUNT AND PALMER PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2002

	Notes	2002 £	2001 £
Turnover	2	31,449,183	24,756,389
Cost of sales		(28,528,770)	(22,041,957)
Gross profit		2,920,413	2,714,432
Administrative expenses		(2,911,279)	(2,754,640)
Operating profit/(loss)	3	9,134	(40,208)
Investment income	4	50,143	30,167
Other interest receivable and similar income		29,949	62,472
Interest payable and similar charges	5	(857)	(3,567)
Profit on ordinary activities before taxation		88,369	48,864
Tax on profit on ordinary activities	6	(42,210)	(30,500)
Profit on ordinary activities after taxation		46,159	18,364

The profit and loss account has been prepared on the basis that all operations are continuing operations.

HUNT AND PALMER PLC

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 NOVEMBER 2002

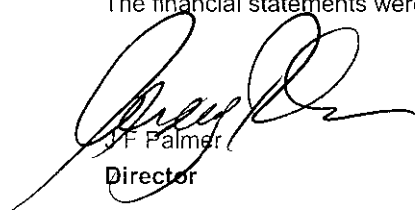
	2002	2001
	£	£
Profit for the financial year	46,159	18,364
Currency translation differences on foreign currency net investments	6,103	2,081
Total recognised gains and losses relating to the year	<u>40,056</u>	<u>20,445</u>

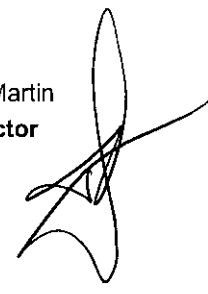
HUNT AND PALMER PLC

BALANCE SHEETS AS AT 30 NOVEMBER 2002

		Group		Company	
	Notes	2002	2001	2002	2001
		£	£	£	£
Fixed assets					
Tangible assets	8	316,767	334,519	315,418	329,239
Investments	9	20,466	12,248	20,468	36,698
		<u>337,233</u>	<u>346,767</u>	<u>335,886</u>	<u>365,937</u>
Current assets					
Debtors	10	3,596,908	3,039,211	3,070,727	3,051,217
Cash at bank and in hand		1,316,488	1,371,651	1,312,188	1,310,461
		<u>4,913,396</u>	<u>4,410,862</u>	<u>4,382,915</u>	<u>4,361,678</u>
Creditors: amounts falling due within one year	11	(4,669,754)	(4,223,079)	(4,134,746)	(4,006,028)
Net current assets		<u>243,642</u>	<u>187,783</u>	<u>248,169</u>	<u>355,650</u>
Total assets less current liabilities		<u>580,875</u>	<u>534,550</u>	<u>584,055</u>	<u>721,587</u>
Provisions for liabilities and charges		<u>(6,271)</u>	<u>-</u>	<u>(6,271)</u>	<u>-</u>
		<u>574,604</u>	<u>534,550</u>	<u>577,784</u>	<u>721,587</u>
Capital and reserves					
Called up share capital	13	50,001	50,001	50,001	50,001
Profit and loss account	14	524,603	484,549	527,783	671,586
Shareholders' funds - equity interests	15	<u>574,604</u>	<u>534,550</u>	<u>577,784</u>	<u>721,587</u>

The financial statements were approved by the board on 3 February 2003


J F Palmer
Director


J S Martin
Director

HUNT AND PALMER PLC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2002

	2002		2001	
	£	£	£	£
Net cash outflow from operating activities		(14,749)		(1,071,679)
Returns on investments and servicing of finance				
Interest received	28,687		61,349	
Interest paid	(422)		(3,567)	
Dividends received	50,143		30,167	
Net cash inflow for returns on investments and servicing of finance		78,408		87,949
Taxation		(24,753)		(105,164)
Capital expenditure and financial investment				
Payments to acquire tangible assets	(89,182)		(144,221)	
Payments to acquire investments	(8,218)		(304)	
Receipts from sales of tangible assets	16,801		21,200	
Net cash outflow for capital expenditure		(80,599)		(123,325)
Net cash outflow before management of liquid resources and financing		(41,693)		(1,212,219)
Management of liquid resources				
Bank deposits	(60,601)		(54,701)	
		(60,601)		(54,701)
Financing				
Capital element of hire purchase contracts	(14,073)		(28,683)	
Net cash outflow from financing		(14,073)		(28,683)
Decrease in cash in the year		(116,367)		(1,295,603)

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2002

1	Reconciliation of operating profit/(loss) to net cash outflow from operating activities	2002	2001
		£	£
	Operating profit/(loss)	9,134	(40,208)
	Depreciation of tangible assets	83,549	80,678
	(Loss)/profit on disposal of tangible assets	6,584	(2,765)
	(Increase)/decrease in debtors	(556,435)	981,282
	Increase/(decrease) in creditors within one year	448,522	(2,092,747)
	Net effect of foreign exchange differences	(6,103)	2,081
	Net cash outflow from operating activities	(14,749)	(1,071,679)

2	Analysis of net funds	1 December 2001	Cash flow	Other non-cash changes	30 November 2002
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,316,950	(115,764)	-	1,201,186
	Bank overdrafts	-	(605)	-	(605)
		1,316,950	(116,369)	-	1,200,581
	Liquid resources:				
	Bank deposits	54,701	60,601	-	115,302
	Finance leases	(14,073)	14,073	-	-
	Net funds	1,357,578	(41,695)	-	1,315,883

3	Reconciliation of net cash flow to movement in net debt	2002	2001
		£	£
	Decrease in cash in the year	(116,369)	(1,295,605)
	Cash outflow from increase in liquid resources	60,601	54,701
	Cash outflow from decrease in debt	14,073	28,683
	Movement in net funds in the year	(41,695)	(1,212,221)
	Opening net funds	1,357,578	2,569,799
	Closing net funds	1,315,883	1,357,578

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 November 2002.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	25% Reducing balance

1.6 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

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

1.8 Pensions

Pension contributions are charged to the profit and loss account as incurred. These contributions are invested separately from the group's assets.

1.9 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

	2002 £	2001 £
Geographical segment		
United Kingdom	15,331,644	11,535,803
Europe	7,190,284	7,650,891
Rest of World	8,927,255	5,569,695
	<u>31,449,183</u>	<u>24,756,389</u>

3 Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2002 £	2001 £
Depreciation of tangible assets	83,549	80,678
Loss on disposal of tangible assets	6,584	-
Loss on foreign exchange transactions	210,421	82,363
Operating lease rentals	90,634	68,344
Auditors' remuneration (company £16,000; 2001 : £12,000)	16,000	12,000
Remuneration of auditors for non-audit work	7,724	5,071

and after crediting:

Profit on disposal of tangible assets	-	(2,765)
	<u>-</u>	<u>(2,765)</u>

4 Investment income

	2002 £	2001 £
Income from fixed asset investments	<u>50,143</u>	<u>30,167</u>

5 Interest payable

	2002 £	2001 £
On bank loans and overdrafts	233	488
Lease finance charges	435	2,843
On overdue tax	189	236
	<u>857</u>	<u>3,567</u>

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

6 Taxation

	£	£
Domestic current year tax		
U.K. corporation tax	41,686	30,500
Adjustment for prior years	(5,747)	-
	<u>35,939</u>	<u>30,500</u>
Deferred tax		
Deferred tax charge/credit current year	6,271	-
	<u>42,210</u>	<u>30,500</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>88,369</u>	<u>48,864</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2001 : 30.00%)	<u>26,511</u>	<u>14,659</u>
Effects of:		
Non deductible expenses	96,420	14,015
Depreciation	23,885	23,035
Capital allowances	(22,587)	(25,708)
Adjustments to previous periods	(5,747)	-
Dividends and distributions received	(15,043)	(9,050)
Other tax adjustments	(67,500)	13,549
	<u>9,428</u>	<u>15,841</u>
Current tax charge	<u>35,939</u>	<u>30,500</u>

7 (Loss)/profit for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The (loss)/profit for the financial year is made up as follows:

	2002 £	2001 £
Holding company's (loss)/profit for the financial year	<u>(143,803)</u>	<u>85,996</u>

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

8 Tangible fixed assets Group

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 December 2001	368,551	308,047	676,598
Additions	8,975	80,207	89,182
Disposals	-	(46,174)	(46,174)
	<u>377,526</u>	<u>342,080</u>	<u>719,606</u>
At 30 November 2002	377,526	342,080	719,606
Depreciation			
At 1 December 2001	218,137	123,942	342,079
On disposals	-	(22,789)	(22,789)
Charge for the year	34,635	48,914	83,549
	<u>252,772</u>	<u>150,067</u>	<u>402,839</u>
At 30 November 2002	252,772	150,067	402,839
Net book value			
At 30 November 2002	124,754	192,013	316,767
	<u>124,754</u>	<u>192,013</u>	<u>316,767</u>
At 30 November 2001	150,414	184,105	334,519
	<u>150,414</u>	<u>184,105</u>	<u>334,519</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Net book values			
At 30 November 2002	-	-	-
At 30 November 2001	-	30,487	30,487
	<u>-</u>	<u>30,487</u>	<u>30,487</u>
Depreciation charge for the year			
30 November 2002	-	-	-
30 November 2001	-	10,162	10,162
	<u>-</u>	<u>10,162</u>	<u>10,162</u>

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

8 Tangible fixed assets (continued) Company

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 December 2001	350,580	308,047	658,627
Additions	8,975	80,207	89,182
Disposals	-	(46,174)	(46,174)
	<u>359,555</u>	<u>342,080</u>	<u>701,635</u>
At 30 November 2002			
Depreciation			
At 1 December 2001	205,446	123,942	329,388
On disposals	-	(22,789)	(22,789)
Charge for the year	30,704	48,914	79,618
	<u>236,150</u>	<u>150,067</u>	<u>386,217</u>
At 30 November 2002			
Net book value			
At 30 November 2002	123,405	192,013	315,418
	<u>145,134</u>	<u>184,105</u>	<u>329,239</u>
At 30 November 2001			

Included above are assets held under finance leases or hire purchase contracts as follows:

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Net book values			
At 30 November 2002	-	-	-
At 30 November 2001	-	30,487	30,487
	<u>-</u>	<u>30,487</u>	<u>30,487</u>
Depreciation charge for the year			
30 November 2002	-	-	-
30 November 2001	-	10,162	10,162
	<u>-</u>	<u>10,162</u>	<u>10,162</u>

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

9 Fixed asset investments Group

	Listed investments £	Unlisted investments £	Total £
Cost			
At 1 December 2001	2,248	10,000	12,248
Additions	93	8,125	8,218
At 30 November 2002	2,341	18,125	20,466
At 30 November 2001	2,248	10,000	12,248

9 Fixed asset investments Company

	Listed investments £	Unlisted investments £	Shares in subsidiary undertakings £	Total £
Cost				
At 1 December 2001	2,248	10,000	24,450	36,698
Additions	93	8,125	-	8,218
At 30 November 2002	2,341	18,125	24,450	44,916
Provisions for diminution in value				
At 1 December 2001	-	-	-	-
Charge for the year	-	-	24,448	24,448
At 30 November 2002	-	-	24,448	24,448
Net book value				
At 30 November 2002	2,341	18,125	2	20,468
At 30 November 2001	2,248	10,000	24,450	36,698

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

	Market value £	Directors' valuation £	Total £
At 30 November 2002	3,304	18,125	21,429
At 30 November 2001	3,708	10,000	13,708

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

9 Fixed asset investments (continued)

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Hunt and Palmer (Projects) Limited	G.B.	Ordinary	100
Hunt and Palmer (France) S.A.R.L.	France	Ordinary	100
Participating interests			
Driven Worldwide Limited	G.B.	Ordinary	33
Other significant interests			
Driven Worldwide Limited	G.B.	Ordinary	33

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Hunt and Palmer (Projects) Limited	Dormant
Hunt and Palmer (France) S.A.R.L.	Air brokers

10 Debtors

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Trade debtors	2,470,561	2,056,589	2,126,334	2,021,885
Other debtors	85,664	73,300	54,959	220,821
Prepayments and accrued income	1,040,683	909,322	889,434	808,511
	<u>3,596,908</u>	<u>3,039,211</u>	<u>3,070,727</u>	<u>3,051,217</u>

Amounts falling due after more than one year and included in the debtors above are:

	2002	2001	2002	2001
	£	£	£	£
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>-</u>	<u>173,097</u>

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

11 Creditors : amounts falling due within one year

	Group 2002 £	2001 £	Company 2002 £	2001 £
Bank loans and overdrafts	605	-	-	-
Net obligations under finance lease and hire purchase contracts	-	14,073	-	14,073
Trade creditors	2,515,797	2,117,733	2,391,697	2,054,600
Corporation tax	42,778	31,592	42,778	31,592
Taxes and social security costs	64,336	50,725	42,924	39,321
Other creditors	(174)	(2,726)	-	-
Accruals and deferred income	2,046,412	2,011,682	1,657,347	1,866,442
	<u>4,669,754</u>	<u>4,223,079</u>	<u>4,134,746</u>	<u>4,006,028</u>
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	-	14,460	-	14,460
Finance charges and interest allocated to future accounting periods	-	(387)	-	(387)
	<u>-</u>	<u>14,073</u>	<u>-</u>	<u>14,073</u>

12 Pension costs

Defined contribution

The group operates defined contribution pension schemes. The assets of the scheme are held separately from those of the group in independently administered funds. The contributions payable by the company amounted to £9,000 (2001: £9,000). All contributions were outstanding at the year-end.

	2002 £	2001 £
Contributions payable by the group for the year	<u>9,000</u>	<u>9,000</u>

13 Share capital

	2002 £	2001 £
Authorised		
100,000 Ordinary shares of £ 1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
50,001 Ordinary shares of £ 1 each	<u>50,001</u>	<u>50,001</u>

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

14 Statement of movements on profit and loss account Group

	Profit and loss account £
Balance at 1 December 2001	484,547
Retained profit for the year	46,159
Currency translation differences on foreign currency net investments	(6,103)
Balance at 30 November 2002	<u>524,603</u>

Company

	Profit and loss account £
Balance at 1 December 2001	671,586
Retained loss for the year	(143,803)
Balance at 30 November 2002	<u>527,783</u>

15 Reconciliation of movements in shareholders' funds Group

	2002 £	2001 £
Profit for the financial year	46,159	18,364
Other recognised gains and losses	(6,103)	2,081
Net addition to shareholders' funds	<u>40,056</u>	<u>20,445</u>
Opening shareholders' funds	534,550	514,105
Closing shareholders' funds	<u>574,604</u>	<u>534,550</u>

	2002 £	2001 £
(Loss)/Profit for the financial year	(143,803)	85,996
Opening shareholders' funds	<u>721,587</u>	<u>635,591</u>
Closing shareholders' funds	<u>577,784</u>	<u>721,587</u>

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

16 Financial commitments

At 30 November 2002 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2002	2001
	£	£
Expiry date:		
In over five years	83,500	83,500

At 30 November 2002 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2002	2001
	£	£
Expiry date:		
In over five years	83,500	83,500

17 Directors' emoluments

	2002	2001
	£	£
Emoluments for qualifying services	349,236	617,391
Company pension contributions to money purchase schemes	9,000	9,000
	358,236	626,391

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2001 - 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	117,084	220,444
Company pension contributions to money purchase schemes	3,000	3,000

HUNT AND PALMER PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2002

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2002 Number	2001 Number
Administration and sales	37	36

Employment costs

	£	£
Wages and salaries	1,430,601	1,582,880
Social security costs	186,112	205,082
Other pension costs	9,000	9,000
	1,625,713	1,796,962