

KINGSTON RESTAURANTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2002

Company Registration Number 342~~7~~7721



KINGSTON RESTAURANTS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

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KINGSTON RESTAURANTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

G V Michniewicz
P A Michniewicz
J Atherton

Company secretary

G V Michniewicz

Registered office

39/41 Jameson Street
Hull
East Riding of Yorkshire

Auditors

Townends
Chartered Accountants
& Registered Auditors
Carlisle Street
Goole
East Riding of Yorkshire
DN14 5DX

Bankers

Royal Bank of Scotland
10 Silver Street
HULL
East Riding of Yorkshire
HU1 1JE

Solicitors

Rollits
Rowntree Wharf
Navigation Road
York
YO1 9WE

KINGSTON RESTAURANTS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the operation of quick service restaurants.

The Board consider the results for the year to be satisfactory.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2002 £	2001 £
Proposed dividends on ordinary shares	<u>75,000</u>	<u>60,000</u>

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		At 31 December 2002	At 1 January 2002
G V Michniewicz	'A' Ordinary Shares	430,000	430,000
	'B' Ordinary Shares	—	—
P A Michniewicz	'A' Ordinary Shares	—	—
	'B' Ordinary Shares	—	—
J Atherton	'A' Ordinary Shares	—	—
	'B' Ordinary Shares	—	—

D Tonge resigned as a director on 1 September 2002.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

KINGSTON RESTAURANTS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2002

DISABLED EMPLOYEES

EMPLOYEE INVOLVEMENT

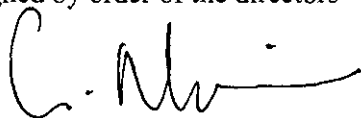
The company operates an equal opportunities policy with regard to recruitment and seeks to offer suitable work and training wherever practicable to persons with disabilities.

An open management policy is operated whereby all members of staff (including part-time and casual staff) are briefed regularly on matters affecting the company.

AUDITORS

A resolution to re-appoint Townends as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors



G V MICHNIEWICZ

Company Secretary

Approved by the directors on 03.06.03.

KINGSTON RESTAURANTS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31 DECEMBER 2002

We have audited the financial statements on pages 5 to 17 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

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. Our responsibilities do not extend to any other information.

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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Carlisle Street
 Goole
 East Riding of Yorkshire
 DN14 5DX

S June 2003

Townends
 TOWNENDS
 Chartered Accountants
 & Registered Auditors

KINGSTON RESTAURANTS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2002

	Note	2002 £	2001 (restated) £
TURNOVER	2	6,554,392	6,460,567
Cost of sales		<u>2,114,620</u>	<u>2,118,535</u>
GROSS PROFIT		4,439,772	4,342,032
Administrative expenses		<u>4,200,060</u>	<u>4,192,790</u>
OPERATING PROFIT	3	239,712	149,242
Interest receivable		4,906	6,948
Interest payable	6	<u>(45,479)</u>	<u>(69,990)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		199,139	86,200
Tax on profit on ordinary activities	7	<u>51,493</u>	<u>31,362</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		147,646	54,838
Dividends	8	<u>75,000</u>	<u>60,000</u>
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>72,646</u>	<u>(5,162)</u>

All of the activities of the company are classed as continuing.

KINGSTON RESTAURANTS LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 DECEMBER 2002

	2002	2001 <i>(restated)</i>
	£	£
Profit for the financial year attributable to the shareholders	147,646	54,838
Prior year adjustment (as explained in Note 7(b))	<u>(75,366)</u>	<u>—</u>
Total gains and losses recognised since the last annual report	<u>72,280</u>	<u>54,838</u>

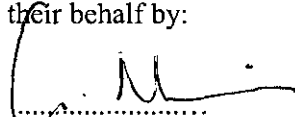
KINGSTON RESTAURANTS LIMITED

BALANCE SHEET

31 DECEMBER 2002

		2002	2001 (restated)
	Note	£	£
FIXED ASSETS			
Intangible assets	9	956,253	1,020,331
Tangible assets	10	743,923	846,898
Investments	11	5,000	5,000
		<u>1,705,176</u>	<u>1,872,229</u>
CURRENT ASSETS			
Stocks	12	41,913	45,384
Debtors	13	96,536	93,736
Cash in hand		514,027	509,258
		<u>652,476</u>	<u>648,378</u>
CREDITORS: Amounts falling due within one year	14	<u>858,186</u>	<u>836,197</u>
NET CURRENT LIABILITIES		<u>(205,710)</u>	<u>(187,819)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,499,466</u>	<u>1,684,410</u>
CREDITORS: Amounts falling due after more than one year	15	<u>563,045</u>	<u>816,918</u>
		<u>936,421</u>	<u>867,492</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	17	71,649	75,366
		<u>864,772</u>	<u>792,126</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	860,000	860,000
Profit and Loss Account	20	4,772	(67,874)
SHAREHOLDERS' FUNDS	21	<u>864,772</u>	<u>792,126</u>

These financial statements were approved by the directors on the 03.06.03 and are signed on their behalf by:


G V MICHNIEWICZ

KINGSTON RESTAURANTS LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2002

		2002	2001 (restated)
	Note	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	22	405,629	436,889
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		4,906	6,948
Interest paid		<u>(47,979)</u>	<u>(71,090)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(43,073)	(64,142)
TAXATION		(24,210)	(1,893)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets		(68,954)	(52,715)
Receipts from sale of fixed assets		19,250	—
Acquisition of Investments		<u>—</u>	<u>(5,000)</u>
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(49,704)	(57,715)
EQUITY DIVIDENDS PAID		(60,000)	—
CASH INFLOW BEFORE FINANCING		228,642	313,139
FINANCING			
Repayment of bank loans		(223,873)	(199,335)
Capital element of hire purchase and finance lease		<u>—</u>	<u>(3,375)</u>
NET CASH OUTFLOW FROM FINANCING		(223,873)	(202,710)
INCREASE IN CASH	23	<u>4,769</u>	<u>110,429</u>

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

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	- 20 year life
Franchise fee	- 20 year life

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:

Plant & Machinery	- 5 - 10 years 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.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

Tax deferred is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may crystallise. The liability arising is discounted to reflect its net present value at the balance sheet date.

This revised policy reflects the requirements of Financial Reporting Standard No. 19 Deferred Tax and a note describing the effect of the new policy within the accounts is included within Note 7(b).

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2002	2001 (restated)
	£	£
United Kingdom	<u>6,554,392</u>	<u>6,460,567</u>

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

3. OPERATING PROFIT

Operating profit is stated after charging:

	2002	2001 (restated)
	£	£
Amortisation	64,078	64,078
Depreciation	143,749	146,646
Loss on disposal of fixed assets	8,930	—
Auditors' remuneration		
- as auditors	3,000	3,000
Operating lease costs:		
Land and buildings	<u>881,523</u>	<u>951,607</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2002	2001 (restated)
	No	No
Restaurant staff	295	310
Office and management	<u>16</u>	<u>15</u>
	<u>311</u>	<u>325</u>

The aggregate payroll costs of the above were:

	2002	2001 (restated)
	£	£
Wages and salaries	1,716,686	1,698,980
Social security costs	69,054	74,708
Other pension costs	<u>9,360</u>	<u>9,360</u>
	<u>1,795,100</u>	<u>1,783,048</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001 (restated)
	£	£
Emoluments receivable	<u>102,029</u>	<u>102,166</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001 (restated)
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

6. INTEREST PAYABLE

	2002	2001 (restated)
	£	£
Interest payable on bank borrowing	<u>45,479</u>	<u>69,990</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2002	2001 (restated)
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 19.21% (2001 - 20%)	55,000	24,000
Over/under provision in prior year	<u>210</u>	<u>(407)</u>
Total current tax	55,210	23,593
Deferred tax:		
(Decrease)/increase in deferred tax provision	<u>(3,717)</u>	<u>7,769</u>
Tax on profit on ordinary activities	<u>51,493</u>	<u>31,362</u>

(b) Tax included in statement of total recognised gains and losses

The accounting policy in respect of deferred tax has been changed to reflect the requirements of Financial Reporting Standard 19 'Deferred tax'. Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences and is discounted.

The adoption of the standard requires a prior period adjustment to be made to recognise the liability which existed at the start of the financial year and which was not recognised under the old accounting policy. This has increased the deferred tax liability and reduced retained profits by £75,366.

The impact on reserves is detailed in note 21.

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

7. TAX ON PROFIT ON ORDINARY ACTIVITIES *(continued)*

(c) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19.21% (2001 - 20%).

	2002	2001 <i>(restated)</i>
	£	£
Profit on ordinary activities before taxation	<u>199,139</u>	<u>86,200</u>
Profit on ordinary activities multiplied by corporation tax at a rate of 19.21% (2001:20%)	38,255	17,240
Expenses not deductible for corporation tax	12,312	12,830
Capital allowances for the year in excess of depreciation	3,717	(7,769)
Other short term timing differences	343	145
Adjustment to tax charge in respect of differing rate used in the calculation of deferred tax	42	(310)
Movement in the year in respect of the effect of deferred tax discounting	331	1,864
Adjustment to tax charge in respect of prior years	<u>210</u>	<u>(407)</u>
Total current tax (note 7(a))	<u>55,210</u>	<u>23,593</u>

8. DIVIDENDS

The following dividends have been proposed in respect of the year:

	2002	2001 <i>(restated)</i>
	£	£
Proposed dividend on ordinary shares	<u>75,000</u>	<u>60,000</u>

9. INTANGIBLE FIXED ASSETS

	Goodwill £	Franchise Fees £	Total £
COST			
At 1 January 2002 and 31 December 2002	<u>1,191,555</u>	<u>90,000</u>	<u>1,281,555</u>
AMORTISATION			
At 1 January 2002	242,879	18,345	261,224
Charge for the year	59,578	4,500	64,078
At 31 December 2002	<u>302,457</u>	<u>22,845</u>	<u>325,302</u>
NET BOOK VALUE			
At 31 December 2002	<u>889,098</u>	<u>67,155</u>	<u>956,253</u>
At 31 December 2001	<u>948,676</u>	<u>71,655</u>	<u>1,020,331</u>

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

10. TANGIBLE FIXED ASSETS

	Plant & Machinery £
COST	
At 1 January 2002	1,291,685
Additions	68,954
Disposals	<u>(59,306)</u>
At 31 December 2002	<u>1,301,333</u>
DEPRECIATION	
At 1 January 2002	444,787
Charge for the year	143,749
On disposals	<u>(31,126)</u>
At 31 December 2002	<u>557,410</u>
NET BOOK VALUE	
At 31 December 2002	<u>743,923</u>
At 31 December 2001	<u>846,898</u>

11. INVESTMENTS

	Trade Investment £
COST	
At 1 January 2002 and 31 December 2002	<u>5,000</u>
NET BOOK VALUE	
At 31 December 2002	<u>5,000</u>
At 31 December 2001	<u>5,000</u>

12. STOCKS

	2002	2001 (restated)
	£	£
Finished goods	<u>41,913</u>	<u>45,384</u>

Stocks consist of foodstuffs and packaging materials.

13. DEBTORS

	2002	2001 (restated)
	£	£
Other debtors	40,000	40,000
Prepayments and accrued income	<u>56,536</u>	<u>53,736</u>
	<u>96,536</u>	<u>93,736</u>

Other debtors are in respect of repayable security deposits falling due after more than one year.

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

14. CREDITORS: Amounts falling due within one year

	2002	2001 (restated)
	£	£
Bank loans and overdrafts	230,000	200,000
Trade creditors	191,808	221,260
Other creditors including taxation and social security:		
Corporation tax	55,000	24,000
Other taxation and social security	183,143	197,579
Dividends payable	75,000	60,000
	<u>734,951</u>	<u>702,839</u>
Accruals and deferred income	123,235	133,358
	<u>858,186</u>	<u>836,197</u>

The bank loan and overdraft is secured by the lender.

15. CREDITORS: Amounts falling due after more than one year

	2002	2001 (restated)
	£	£
Bank loans and overdrafts	<u>563,045</u>	<u>816,918</u>

The bank loan and overdraft is secured by the lender.

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	2002	2001 (restated)
	£	£
Bank loans and overdrafts	<u>—</u>	<u>6,919</u>

The bank loan, the aggregate total of which amounts to £793,045 is repayable in monthly instalments of £22,504 representing capital and interest.

16. PENSIONS

The company operates a defined contribution pension scheme on behalf of its directors. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary. The annual commitment under this scheme is for contributions of £9,360 (2001 - £9,360).

17. DEFERRED TAXATION

	2002	2001 (restated)
	£	£
The movement in the deferred taxation provision during the year was:		
Provision brought forward	75,366	67,597
Profit and Loss Account movement arising during the year	(3,717)	7,769
Provision carried forward	<u>71,649</u>	<u>75,366</u>

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

17. DEFERRED TAXATION *(continued)*

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002	2001 (restated)
	£	£
Excess of taxation allowances over depreciation on fixed assets	71,649	75,366
	<u>71,649</u>	<u>75,366</u>

18. RELATED PARTY TRANSACTIONS

During the year the company purchased services from McDonalds Restaurants Limited, which owns 430,000 'A' ordinary shares of £1 each in the company. The purchases were made on a normal commercial trading basis and were made up as follows:-

	2002	2001
	£	£
Rent	959,209	925,555
Advertising	273,440	287,522
Service charges	308,688	298,749
	<u>1,541,337</u>	<u>1,511,826</u>

At 31 December 2002, the company owed McDonalds Restaurants Limited £108,982 (2001 - £135,094) in respect of the provision of these services.

There is no ultimate controlling party.

19. SHARE CAPITAL**Authorised share capital:**

	2002	2001 (restated)
	£	£
430,000 'A' Ordinary shares of £1 each	430,000	430,000
430,000 'B' Ordinary shares of £1 each	430,000	430,000
	<u>860,000</u>	<u>860,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
'A' Ordinary shares of £1 each	430,000	430,000	430,000	430,000
'B' Ordinary shares of £1 each	430,000	430,000	430,000	430,000
	<u>860,000</u>	<u>860,000</u>	<u>860,000</u>	<u>860,000</u>

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

20. PROFIT AND LOSS ACCOUNT

	2002	2001 (restated)
	£	£
Balance brought forward	(67,874)	(62,712)
Retained profit/(accumulated loss) for the financial year	<u>72,646</u>	<u>(5,162)</u>
Balance carried forward	<u>4,772</u>	<u>(67,874)</u>

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001 (restated)
	£	£
Profit for the financial year	147,646	54,838
Dividends	<u>(75,000)</u>	<u>(60,000)</u>
	72,646	(5,162)
Opening shareholders' equity funds	<u>792,126</u>	<u>797,288</u>
Closing shareholders' equity funds	<u>864,772</u>	<u>792,126</u>

Opening shareholders' equity funds for the current year were originally £867,492 before deducting prior year adjustment of £75,366. See Note 7(b) for details.

22. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002	2001 (restated)
	£	£
Operating profit	239,712	149,242
Amortisation	64,078	64,078
Depreciation	143,749	146,646
Loss on disposal of fixed assets	8,930	—
Decrease in stocks	3,471	35,382
Increase in debtors	(2,800)	(2,370)
(Decrease)/increase in creditors	<u>(51,511)</u>	<u>43,911</u>
Net cash inflow from operating activities	<u>405,629</u>	<u>436,889</u>

KINGSTON RESTAURANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

23. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002		2001	
	£	£	£	£
Increase in cash in the period	4,769		110,429	
Net cash outflow from bank loans	223,873		199,335	
Cash outflow in respect of hire purchase and finance lease	<u>—</u>		<u>3,375</u>	
	<u>228,642</u>		<u>313,139</u>	
Change in net debt	228,642		313,139	
Net debt at 1 January 2002	(507,660)		(820,799)	
Net debt at 31 December 2002	<u>(279,018)</u>		<u>(507,660)</u>	

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2002 £	Cash flows £	At 31 Dec 2002 £
Net cash:			
Cash in hand and at bank	<u>509,258</u>	<u>4,769</u>	<u>514,027</u>
Debt:			
Debt due within 1 year	(200,000)	(30,000)	(230,000)
Debt due after 1 year	<u>(816,918)</u>	<u>253,873</u>	<u>(563,045)</u>
	<u>(1,016,918)</u>	<u>223,873</u>	<u>(793,045)</u>
Net debt	<u>(507,660)</u>	<u>228,642</u>	<u>(279,018)</u>