

Company Registration No. 3637521 (England and Wales)

PREMIUM WING LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2002



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PREMIUM WING LIMITED

DIRECTORS AND ADVISERS

Directors	D J Medlock P Phipps
Secretary	P Phipps
Company number	3637521
Registered office	St. George's Lodge 33 Oldfield Road Bath BA2 3NE
Registered auditors	Robson Taylor Charter House The Square Lower Bristol Road Bath BA2 3BH
Bankers	Lloyds TSB Bank Plc 47 Milsom Street Bath BA1 1DN

PREMIUM WING LIMITED

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PREMIUM WING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2002

The directors present their report and financial statements for the year ended 31 July 2002.

Directors

The following directors have held office since 1 August 2001:

D J Medlock
P Phipps

Principal activities and review of the business

The principal activity of the group continued to be that of the provision of design and manufacturing services to the engineering industry.

The company acts as a holding company to its subsidiary undertakings, whose activities are described in note 9 to the financial statements.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

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

Directors' interests

The directors' interests in the shares of the company and other group companies were as stated below:

Premium Wing Limited

Ordinary shares of 1p each

31 July 2002	1 August 2001
--------------	---------------

D J Medlock	192,000	192,000
P Phipps	-	-

Hebron & Medlock (Holdings) Limited

Ordinary shares of 25p each

31 July 2002	1 August 2001
--------------	---------------

D J Medlock	-	-
-------------	---	---

Deferred shares of £300 each

31 July 2002	1 August 2001
--------------	---------------

D J Medlock	-	-
-------------	---	---

Hebron & Medlock Limited

Ordinary shares of £1 each

31 July 2002	1 August 2001
--------------	---------------

D J Medlock	1	1
-------------	---	---

Beeley Wood Properties Limited

Ordinary shares of £1 each

31 July 2002	1 August 2001
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D J Medlock	-	-
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PREMIUM WING LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 10 (2001 - 13) days' purchases.

Auditors

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

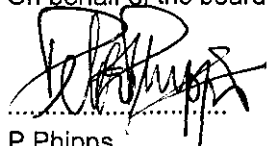
Directors' responsibilities

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



P Phipps

Director

17/12/02

PREMIUM WING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PREMIUM WING LIMITED

We have audited the financial statements of Premium Wing Limited on pages 4 to 21 for the year ended 31 July 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.

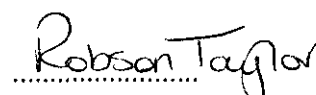
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 31 July 2002 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Robson Taylor

Chartered Accountants
Registered Auditor



Charter House
The Square
Lower Bristol Road
Bath
BA2 3BH

17 December 2002

PREMIUM WING LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2002

		2002	2001
	Notes	£	as restated £
Turnover	2	11,941,170	11,012,940
Cost of sales		(9,390,133)	(8,498,322)
Gross profit		2,551,037	2,514,618
Administrative expenses		(2,273,413)	(2,184,385)
Other operating income		152,614	302,722
Operating profit	3	430,238	632,955
Other interest receivable and similar income		48,216	26,641
Amounts written off investments	4	25,500	(44,250)
Interest payable and similar charges	5	(5,392)	(15,012)
Profit on ordinary activities before taxation		498,562	600,334
Tax on profit on ordinary activities	6	216,390	(23,340)
Profit on ordinary activities after taxation		714,952	576,994

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

PREMIUM WING LIMITED

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 JULY 2002

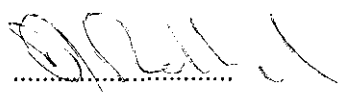
	2002 £	2001 £
Profit for the financial year	714,952	576,994
Unrealised (deficit)/surplus on trade investment	-	44,250
Total recognised gains and losses relating to the year	714,952	621,244
Prior year adjustment	231,857	-
Total gains and losses recognised since last financial statements	946,809	621,244

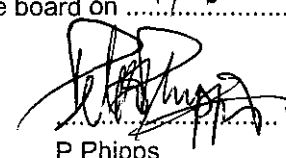
PREMIUM WING LIMITED

BALANCE SHEETS AS AT 31 JULY 2002

		Group 2002	2001 as restated	Company 2002	2001
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8	519,165	646,979	-	-
Investments	9	131,250	105,750	2,617	2,617
		<u>650,415</u>	<u>752,729</u>	<u>2,617</u>	<u>2,617</u>
Current assets					
Stocks	10	1,075,509	1,727,310	-	-
Debtors	11	3,370,556	3,424,571	-	-
Investments	12	598,669	-	-	-
Cash at bank and in hand		1,621,907	900,176	-	-
		<u>6,666,641</u>	<u>6,052,057</u>	<u>-</u>	<u>-</u>
Creditors: amounts falling due within one year	13	(1,605,478)	(1,833,160)	-	-
Net current assets		<u>5,061,163</u>	<u>4,218,897</u>	<u>-</u>	<u>-</u>
Total assets less current liabilities		5,711,578	4,971,626	2,617	2,617
Creditors: amounts falling due after more than one year	14	(25,000)	-	-	-
		<u>5,686,578</u>	<u>4,971,626</u>	<u>2,617</u>	<u>2,617</u>
Capital and reserves					
Called up share capital	15	2,617	2,617	2,617	2,617
Profit and loss account	16	5,683,961	4,969,009	-	-
Shareholders' funds - equity interests	17	<u>5,686,578</u>	<u>4,971,626</u>	<u>2,617</u>	<u>2,617</u>

The financial statements were approved by the board on 17 December 2002


D J Medlock
Director


P Phipps
Director

PREMIUM WING LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2002

	2002		2001	
	£	£	£	£
Net cash inflow from operating activities		1,376,726		722,208
Returns on investments and servicing of finance				
Interest received	48,216		26,641	
Interest paid	(5,392)		(15,012)	
Net cash inflow for returns on investments and servicing of finance		42,824		11,629
Taxation		(86,616)		70,832
Capital expenditure and financial investment				
Payments to acquire tangible assets	(281,284)		(275,084)	
Payments to acquire investments	-		(150,000)	
Receipts from sales of tangible assets	145,648		103,638	
Net cash outflow for capital expenditure		(135,636)		(321,446)
Net cash inflow before management of liquid resources and financing		1,197,298		483,223
Management of liquid resources				
Current asset investments	(598,669)		-	
		(598,669)		-
Other creditors	25,000		-	
Net cash outflow from financing		25,000		-
Increase in cash in the year		623,629		483,223

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2002

1	Reconciliation of operating profit to net cash inflow from operating activities		2002	2001	
			£	£	
	Operating profit		381,092	632,955	
	Cash outflow from exceptional items		-	-	
	Depreciation of tangible assets		196,659	214,839	
	Loss on disposal of tangible assets		58,814	4,510	
	Decrease in stocks		651,801	65,889	
	Decrease/(increase) in debtors		322,106	(745,287)	
	(Decrease)/Increase in creditors within one year		(290,869)	549,302	
	Net effect of foreign exchange differences		57,123	-	
	Net cash inflow from operating activities		1,376,726	722,208	
2	Analysis of net funds	1 August 2001	Cash flow	Other non-cash changes	31 July 2002
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	900,176	721,731	-	1,621,907
	Bank overdrafts	(68,882)	(98,102)	-	(166,984)
		831,294	623,629	-	1,454,923
	Liquid resources:				
	Current asset investments	-	598,669	-	598,669
	Debts falling due after one year	-	(25,000)	-	(25,000)
	Net funds	831,294	1,197,298	-	2,028,592
3	Reconciliation of net cash flow to movement in net debt		2002	2001	
			£	£	
	Increase in cash in the year		623,629	483,223	
	Cash outflow from increase in liquid resources		598,669	-	
	Cash inflow from increase in debt		(25,000)	-	
	Movement in net funds in the year		1,197,298	483,223	
	Opening net funds		831,294	348,071	
	Closing net funds		2,028,592	831,294	

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 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 31 July 2002. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from, the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT, trade discounts and intra-group transactions.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

1.5 Goodwill

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

1.6 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:

Land and buildings Leasehold	by instalments over 12 years
Plant and machinery	25% and 15% straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

1.7 Leasing

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

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value. Income is included (together with the related tax credit) in the financial statements of the period in which it is received.

1.9 Stock

Stock and work in progress are valued at prime cost plus attributable overheads based on a normal level of activity.

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

1 Accounting policies

(continued)

1.10 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.11 Pensions

The pension cost charge represents amounts payable by the group to employees' personal pension schemes.

1.12 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.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

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.

1.13 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.

2 Segmental analysis by class of business

The analysis by class of business of the group's turnover is as set out below:

Turnover

	2002 £	2001 £
Class of business		
Property development	2,698,429	1,334,969
Engineering design	9,242,741	9,422,188
Engineering manufacture	-	255,783
	<u>11,941,170</u>	<u>11,012,940</u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

3	Operating profit	2002	2001
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	196,659	214,839
	Operating lease rentals	392,724	348,896
	Auditors' remuneration (company £-; 2001 : £-)	16,375	15,250
	and after crediting:		
	Rents receivable	121,743	102,712
	Management charges receivable	23,000	190,000
	Hire of equipment	7,871	-
		<u> </u>	<u> </u>
4	Amounts written off investments	2002	2001
		£	£
	Amounts written off fixed asset investments:		
	- temporary diminution in value	(25,500)	44,250
		<u> </u>	<u> </u>
5	Interest payable	2002	2001
		£	£
	On bank loans and overdrafts	5,392	15,012
		<u> </u>	<u> </u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

6 Taxation

	£	£
Domestic current year tax		
U.K. corporation tax	21,582	94,172
Adjustment for prior years	30,120	(70,832)
	<u>51,702</u>	<u>23,340</u>
Current tax charge		
Deferred tax		
Deferred tax charge/credit current year	84,805	-
Deferred tax adjustment previous year	(352,897)	-
	<u>(216,390)</u>	<u>23,340</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>498,562</u>	<u>600,334</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2001 : 30.00%)	<u>149,569</u>	<u>180,100</u>
Effects of:		
Non deductible expenses	5,921	18,338
Depreciation	58,998	62,548
Capital allowances	(75,695)	(81,882)
Tax losses utilised	(25,134)	(64,160)
Adjustments to previous periods	30,120	(70,832)
Other tax adjustments	(92,077)	(20,772)
	<u>(97,867)</u>	<u>(156,760)</u>
Current tax charge	<u>51,702</u>	<u>23,340</u>

7 Loss 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 for the financial year is made up as follows:

	2002 £	2001 £
Holding company's loss for the financial year	<u>-</u>	<u>-</u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

8 Tangible fixed assets Group

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2001	207,670	1,775,486	29,620	701,255	2,714,031
Additions	-	138,321	-	142,963	281,284
Disposals	(207,670)	-	-	(373,733)	(581,403)
At 31 July 2002	-	1,913,807	29,620	470,485	2,413,912
Depreciation					
At 1 August 2001	201,367	1,475,622	25,503	364,560	2,067,052
On disposals	(203,497)	-	-	(165,467)	(368,964)
Charge for the year	2,130	115,403	-	79,126	196,659
At 31 July 2002	-	1,591,025	25,503	278,219	1,894,747
Net book value					
At 31 July 2002	-	322,782	4,117	192,266	519,165
At 31 July 2001	6,303	299,864	4,117	336,695	646,979

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

9 Fixed asset investments Group

	Listed investments £	Total £
Cost		
At 1 August 2001 & at 31 July 2002	150,000	150,000
Provisions for diminution in value		
At 1 August 2001	44,250	44,250
Charge for the year	(25,500)	(25,500)
At 31 July 2002	18,750	18,750
Net book value		
At 31 July 2002	131,250	131,250
At 31 July 2001	105,750	105,750

9 Fixed asset investments Company

	Shares in subsidiary undertakings £
Cost	
At 1 August 2001 & at 31 July 2002	2,617
At 31 July 2001	2,617

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.

Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Hebron & Medlock (Holdings) Limited	England & Wales	Ordinary	100
Hebron & Medlock Limited	England & Wales	Ordinary	100
Beeley Wood Properties Limited	England & Wales	Ordinary	100

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

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

	Principal activity
Hebron & Medlock (Holdings) Limited	Holding company
Hebron & Medlock Limited	Engineering design
Beeley Wood Properties Limited	Property development

The following companies were dissolved on 16 July 2002. They had been dormant throughout the year:

Hebron & Medlock Engineering Limited
GED (BBK Designs) Limited
GED (Southampton) Limited
Techwork (Southampton) Limited
Senior Design Services Limited

10 Stocks and work in progress

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Work in progress	731,289	1,165,515	-	-
Long term contract balances:				
- Net cost less foreseeable losses	343,970	538,277	-	-
Finished goods and goods for resale	250	23,518	-	-
	<u>1,075,509</u>	<u>1,727,310</u>	<u>-</u>	<u>-</u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

11 Debtors

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Trade debtors	2,693,819	2,473,021	-	-
Other debtors	105,852	795,628	-	-
Prepayments and accrued income	302,794	155,922	-	-
Deferred tax asset	268,091	-	-	-
	<u>3,370,556</u>	<u>3,424,571</u>	<u>-</u>	<u>-</u>

Deferred tax

	Group	Company
	2002	2002
	£	£
Profit and loss account	(50,708)	-
Balance at 31 July 2002	<u>268,091</u>	<u>-</u>

Deferred taxation provided in the financial statements is as follows:

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Accelerated capital allowances	36,134	-	-	-
Tax losses available	231,957	-	-	-
	<u>268,091</u>	<u>-</u>	<u>-</u>	<u>-</u>

12 Current asset investments

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Other unlisted investments	<u>598,669</u>	<u>-</u>	<u>-</u>	<u>-</u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

13 Creditors : amounts falling due within one year

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loans and overdrafts	166,984	68,882	-	-
Trade creditors	267,608	291,900	-	-
Corporation tax	59,283	94,198	-	-
Taxes and social security costs	291,176	467,874	-	-
Other creditors	347,224	211,085	-	-
Accruals and deferred income	473,203	699,223	-	-
	<u>1,605,478</u>	<u>1,833,162</u>	<u>-</u>	<u>-</u>

14 Creditors : amounts falling due after more than one year

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Other creditors	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

15 Share capital

	2002	2001
	£	£
Authorised		
1,000,000 Ordinary shares of 1p each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
261,682 Ordinary shares of 1p each	<u>2,617</u>	<u>2,617</u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

16 Statement of movements on profit and loss account Group

	Profit and loss account £
Balance at 1 August 2001	4,737,152
Prior year adjustment	231,857
Balance at 1 August 2001 as restated	4,969,009
Retained profit for the year	714,952
Balance at 31 July 2002	5,683,961

Company

	Profit and loss account £
Balance at 31 July 2002	-

The prior year adjustment has arisen due to the introduction of UITF 32 'Employee benefit trusts and other intermediate payment arrangements'.

17 Reconciliation of movements in shareholders' funds Group

	2002 £	2001 £
Profit for the financial year	714,952	576,994
Opening shareholders' funds	4,971,626	4,394,632
Closing shareholders' funds	5,686,578	4,971,626

Opening shareholders' funds were originally £4,739,769 before adding prior year adjustments of £231,857.

The prior year adjustment has arisen due to the introduction of UITF 32 'Employee benefit trusts and other intermediate payment arrangements'.

	2002 £	2001 £
Company		
Loss for the financial year	-	-
Opening shareholders' funds	2,617	2,617
Closing shareholders' funds	2,617	2,617

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

18 Financial commitments

At 31 July 2002 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2002	2001
	£	£
Expiry date:		
Within one year	58,667	-
Between two and five years	-	64,000
In over five years	47,500	64,720
	<u>106,167</u>	<u>128,720</u>

19 Directors' emoluments

	2002	2001
	£	£
Emoluments for qualifying services	350,000	250,000
Company pension contributions to money purchase schemes	300,000	200,000
	<u>650,000</u>	<u>450,000</u>

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

Emoluments for qualifying services	150,000	250,000
Company pension contributions to money purchase schemes	200,000	100,000
	<u>350,000</u>	<u>350,000</u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

20 Employees

Number of employees

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

	2002 Number	2001 Number
Recruitment, administration and design	34	34
Engineering design	121	124
Engineering manufacture	6	6
	<u>161</u>	<u>164</u>

Employment costs

	£	£
Wages and salaries	4,647,746	4,876,471
Social security costs	409,965	449,593
Other pension costs	340,687	248,302
	<u>5,398,398</u>	<u>5,574,366</u>

PREMIUM WING LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2002

21 Related party transactions

Group

During the year the company entered into the following transactions involving the directors:-

(i) Rent was paid to L Medlock, a director, of £80,000 (2001: £80,000) in respect of property used by the group.

(ii) Rent was paid to D J Medlock, a director, of £122,800 (2001: £126,267) in respect of property used by the group. The group also sold motor vehicles to D J Medlock to the value of £16,000.

D J Medlock is a director of and has a controlling interest in GED Sitec Limited.

During the year the group made sales of £47,254, recharged insurance costs of £2,889 and sold motor vehicles to the value of £69,650 to GED Sitec Limited.

During the year the group made purchases totalling £135,802, received sponsorship money of £12,000, received rental income of £26,310 and received management charges of £11,000 from GED Sitec Limited.

Included within trade debtors is an amount due from GED Sitec Limited of £43,908.

Included in prepayments is an amount due from GED Sitec Limited of £11,000.

Included within trade creditors is an amount due to GED Sitec Limited of £14,920.

Included within accruals is an amount due to GED Sitec Limited of £32,235.

During the year sales of £1,092 were made to GED UK Limited, a company of which D J Medlock is a director and has a controlling interest.

During the year the group sold a motor vehicle for £5,000 and received management charges of £12,000 from Aquatravel Limited, a company of which D J Medlock is a director.