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Master Brewers since 1832



Hardys & Hansons p.l.c.

2002

Annual Report & Financial Statements

Hardys & Hansons p.l.c. is an integrated brewer, wholesaler and pub retailer. It operates both managed and tenanted outlets primarily in the East Midlands. The estate constitutes pub restaurants as well as traditional and community pubs.

The company brews and supplies Hardys & Hansons ales and markets a variety of leading brand lagers, wines, spirits and soft drinks to the free trade in addition to its own estate.

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HIGHLIGHTS

Turnover increased 19% to £64.8m



Adjusted operating profit increased 20% to £12.3m*



Adjusted profit before tax increased 16% to £12.5m*



Adjusted EPS increased 15% to 34.56p†



Dividend per ordinary share increased by 11% to 16.4 pence



Net assets increased by 9% to £104.0m



Own beer volumes increased 3%



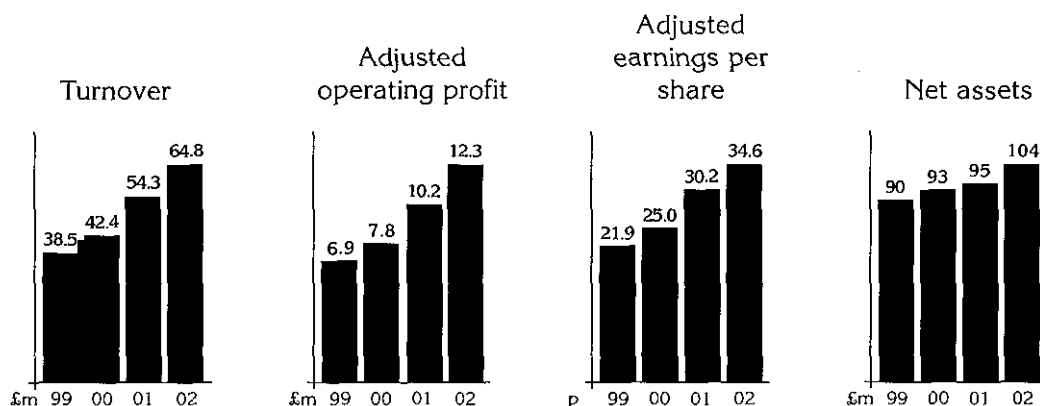
Capital expenditure in the year of £11.4m

New pub/restaurant opened in September 2002: the 'Ock 'n' Dough, Wellingborough, Northants.

Four major managed houses acquired in the year: the Bell Inn, Nottingham; the Beekeeper, Chilwell; the Wheelhouse, Wollaton; the Sherwood Manor, Sherwood, and one tenancy, the Farmyard Inn at Youlgreave.

* See note 11

† See note 10



CHAIRMAN'S STATEMENT

FINANCIAL

I am very pleased to report that we have again achieved strong growth in the year. Adjusted operating profit for the year to 4th October 2002 has increased by 20% from £10.2m to £12.3m (as explained in note 11). This performance compares 53 weeks this financial year with 52 weeks in the prior year; the additional trading week contributed profits of approximately £0.3m. Turnover increased by 19% to £64.8m, from £54.3m the previous year (the 53rd week accounting for approximately £1.2m).

Adjusted profit on ordinary activities before tax increased by 16% to £12.5m (2001: £10.8m). The adjustment is a result of property impairments and redundancy costs in the prior year and a surplus on the disposal of fixed assets in both years (as explained in note 11). Profit before tax increased to £16.7m from £10.0m last year. This increase included a £4.2m profit achieved primarily on the sale of a parcel of land close to the brewery for housing development which was completed in June 2002.

Net cash flow from operating activities was £14.1m compared to £14.5m in the prior year. Capital expenditure in the period was £11.4m compared to £20.6m last year and was mainly due to the acquisition and development of freehold licensed properties. With the benefit of £5.2m of cash generated from land sales in the year, net funds increased by £1.5m to £5.0m (2001: £3.5m).

Following the year end the company announced on 9th December 2002 the disposal of the third and last significant parcel of land close to the brewery for housing development generating gross proceeds of £5.0m. This, combined with the net funds available at the year end, leaves the company well placed to fund future growth.

The Board proposes a final dividend of 10.5 pence per ordinary share (2001: 9.4p), subject to approval at the annual general meeting on 25th February 2003. In addition to the 5.9p interim dividend paid (2001: 5.4p), the total dividend for the period would be 16.4p (2001: 14.8p) representing an increase of 11%.

The improved performance achieved in the year saw increased contributions from each of our three trading operations. Managed house profit improvement included the first full year contribution from the package of eight public houses acquired in January 2001, the operation of two newly built premises and the benefits of a continuing refurbishment programme. Tenanted performance improved with increased turnover, gross margins and rental income. Free Trade business also achieved significant turnover and profit growth.

At the close of another very successful year, it is appropriate to draw shareholders' attention to our net assets, which now exceed £100m for the first time.

Finally, on behalf of the Board, I am very pleased to thank all our employees and licencees for their continued support throughout the period. Our employees share scheme, which was introduced in 1983, has been withdrawn by Government and we have replaced it with a new approved scheme, namely a Share Investment Plan, to which we have allocated £243,000 in this financial year as a further acknowledgement of our employees' contributions.

RETAIL

The overall performance of our existing managed and tenanted outlets was excellent with improvements not only where further investment had taken place but also at uninvested properties.

We again made substantial investments in our retail estate, amounting to £10.1m during the financial period. In October 2001, we opened two new large pub/restaurants, the Chestnut Tree at Barnsley and the Seven Wells at Etwall near Derby, at a combined cost of £3.8m, most of which had been funded in the previous financial year. As part of our ongoing acquisition strategy, we purchased four large and well-sited managed houses. The first, the Chilwell Inn at

Chilwell, conveniently situated on the A6005 between Nottingham and Derby, was purchased in November 2001 and reopened after substantial refurbishments in August 2002, having been renamed the Beekeeper. In January 2002, we acquired both the Wheelhouse, at Wollaton, near Nottingham, and the historic and famous Bell Inn in the centre of Nottingham, adjacent to Old Market Square. The Bell Inn reopened in August 2002, after carefully considered improvements. It is a listed building, dating back to 1437, and we have ensured that its special atmosphere has been preserved; happily, in such a sensitive building, the results have met with almost unanimous approval and trade has increased substantially. The total cost of acquiring these three outlets, including development costs, was £5.3m; all are performing well and to expectations. Most recently, in July 2002, we purchased the Sherwood Manor, on the busy A60 road out of Nottingham. It will close for much-needed improvements in January 2003 and will reopen in May. We also purchased the Farmyard Inn at Youlgreave, three miles south of Bakewell in Derbyshire, as an addition to our tenanted estate. Finally, our newly built public house/restaurant, with nearly 200 covers, on a site at Wellingborough opened in early September 2002 and was named the 'Ock 'n' Dough (after a well-known local dish). It is our most southern outlet and our first in Northamptonshire and is another example of our willingness to extend our traditional trading areas as new sites and public houses already trading become more difficult to obtain.

We have also completed significant alterations and/or refurbishments at eight other managed houses, namely the Cat & Fiddle at Kirk Hallam, the Jolly Scotchman near Sleaford, the Kings Ransom at Sale, the Nabb Inn at Hucknall, the Oldswinford at Stourbridge, the Rose & Crown at Penistone, the Sun Inn at Eastwood and the Plainsman at Mapperley near Nottingham. In addition, similar upgrading took place at four tenanted outlets, namely the Duke of Clarence at Derby, the Railway Inn at Matlock, the Springfield Tavern at Sheffield and the Three Stags Heads at Darley Dale.

We have transferred eight smaller managed houses to tenancy and have sold seven uneconomic tenancies. This, coupled with the investment strategy referred to earlier, has led to a further improvement in quality and average volumes at both managed and tenanted outlets. At the beginning of October 2002, our retail estate consisted of 249 outlets, of which 77 were managed and 172 were tenanted; within the 77 managed houses there were 21 large public house/restaurants, 30 taverns/tavern venues and 26 upgraded or standard community public houses. Company catering outlets totalled 51 and their sales of food accounted for 32% of all managed house takings compared with 30% last year; our 21 large public house/restaurants provide a total of just under 3,800 covers, an average of no less than 180 per outlet.

The strategy for tenanted outlets has been revisited and updated with the aim of further improving the quality and profitability of the estate. This strategy encompasses several areas including the role of the Business Development Manager, the recruitment process, capital investment, marketing/promotions, disposals and acquisitions. The emphasis is on recruiting the best tenants, with a tenancy agreement that maximises the opportunity for both parties, backed up with improved company support. New agreements have been developed, including a ten year lease, allowing the company to tap into a new source of tenant. An outcome of this new approach is that increased investment into the tenanted estate is planned. The number of Business Development Managers supporting tenancies has been increased; this, coupled with the introduction of some elements of the strategy referred to above, has already helped to create growth in volumes across the tenanted estate.

A major part of our development strategy continues to be the acquisition or building of large pub/restaurants together with a substantial capital investment programme to improve our existing estate. Already such work has begun at two managed houses, the King & Miller at Sutton-in-Ashfield and

CHAIRMAN'S STATEMENT (CONT.)

the Ship Inn, Ingoldmells on the east coast, together with work at four tenancies, the Boat House at Matlock, the Peacock at Lincoln, the Queens Head at Kimberley and the White Hart at Spilsby. A further eight, at least, will follow as the year progresses.

BRANDS AND BREWING

The past year has seen continued success with sales of our own ales growing year on year against market decline in the ale sector generally. Our Cool and Dark continue to be notable performers. The most sizeable increases in sales of our own products came from the Free Trade Department which continues to win business because of our excellent ale range and the high quality service that we provide to all our customers.

The current year sees the introduction of our new corporate image as referred to last year, illustrations of which can be seen in the Annual Report. Hardys & Hansons has become the sole brand name of the Company for all corporate, retail and product applications. Conversion has already begun on our vehicles and the new countermarks for our beers will be introduced into trade in March. The first phase of the new signage on selected public houses will begin during the early summer. The new image is intended to be contemporary but clearly aligning the company to the two founding families. This work will enhance our image and allow us to market ourselves under one single identity.

Coupled with the introduction of the new image will be the launch of a new premium ale. Hardys & Hansons 'Olde Trip', a 4.3% cask conditioned draught ale, will go on sale next April and we are confident, following market research, that this product can be built into a well-established brand.

We start the year with two brewing contracts producing three different products, although it is likely that one of the products will be transferred during the year, due to a change in supply arrangements. The retained volumes are substantial in our context and continue to contribute to the efficiency of the brewery.

We continue to enhance the service to all our customers following the increase in the establishment of our cellar services department last year. In addition to all our managed and free trade business, we are now taking over the servicing of both our tenanted estate and the factored lager brands which we supply. This, we believe, will further enhance quality at the point of sale and provide an increasingly convenient composite service.

Further restructuring and changes in working practices in the brewery took place during the financial year to increase efficiency. This, together with the work on our image and brands, is part of our strategic objective to sustain growth and improve shareholder value.

PROSPECTS

We have made an encouraging start to our new financial year with all areas of the business making sound progress against a background of some disappointing trends elsewhere in the drinks sector and we are cautiously optimistic over future prospects. We are well placed to optimise trading opportunities despite the uncertain economic climate. We have a strong balance sheet and a freehold portfolio of high quality managed and tenanted public houses, which offer excellent value and are not materially exposed to current trends seen in the high street.

The benefits of our recent investments referred to earlier will make a positive contribution as will our Free Trade which is continuing to grow on account of our differential product and service offer. Our strong acquisition and investment programmes over recent years are delivering profitable returns and we are well equipped financially to take advantage of any opportunities that may arise.



R.W.D. HANSON
Chairman

NEW ACQUISITIONS

Acquisitions are central to our growth strategy. We have a successful track record in this field with 17 top quality pubs acquired or built in the past three years. Pubs acquired may vary in type and location but their potential for sustainable profitability is a prerequisite in their assessment. New builds are always in prominent positions with excellent road links, close to a demographic profile that ensures good potential for long-term growth. Further acquisition opportunities are continually being evaluated.

The Bell, Nottingham

Purchased in January and dating back to 1437 this is a landmark pub near to Old Market Square in Nottingham. Acquired with improvements in mind, the pub has now been fully refurbished in a way that is complementary to the heritage of the building. Ownership of the Bell underscores our position as the city's largest brewer and pub operator and complements our ownership of Ye Olde Trip to Jerusalem.

The 'Ock 'n' Dough, Wellingborough, Northants

Opened during September, the pub is in a superb location on the outer ring road close to new housing developments in Wellingborough. Very well appointed, the pub boasts unique internal architectural features and is equipped to the highest of standards. Offering quality pub food and our fine ales, the pub attracts a wide section of the local population, including families who have found the playbarn facilities a particular attraction.

The Beekeeper, Chilwell, Nottinghamshire

Purchased from the Voyager Pub Group, the Beekeeper was assessed as having substantial unfulfilled potential. Reopened on 30th July after a full refurbishment, this family pub restaurant with a large playbarn is proving to be an excellent acquisition. It is the first Hardys & Hansons pub to carry the new brand presentation.

The Wheelhouse, Wollaton, Nottinghamshire

Acquired from Whitbread in January, this is a well-known, well-positioned pub trading off a good quality local customer base. Significant improvements in the decor of the pub and customer offer have rewarded the company with trading levels ahead of expectations.

C O R P O R A T E R E B R A N D I N G

Hardys & Hansons will become the company's sole brand. The new corporate colours of blue and orange are distinctly contemporary and the stylish new logo clearly reflects the origins of the company with the two founding families.

The new brand will be formally launched in spring 2003 across all our corporate, retail and product applications. Our corporate image, pub signage, vehicles, beer counter mounts and point of sale items will all be rolled out from this time.

It is intended that the new brand presentation should be representative of a quality and service standard on which our customers and trade partners can rely, whether it be a visit to one of our pubs or the service that we provide to those whom we supply. These values are consistent with the company's objectives in becoming the first choice in its regional marketplace, both for its pubs and its products. Everything the company undertakes must be associated with achieving these differential quality and service standards.

Hardys & Hansons will become a symbol of excellence — first choice locally.

DIRECTORS AND ADVISERS

DIRECTORS

Richard W.D. Hanson, T.D.

Chairman. Richard Hanson (67) joined the company in 1956 becoming a Director in 1962. He became Managing director in 1973 and Chairman and Managing Director in 1989. During 1998 he became part-time Chairman.

Patrick T. Helps, B.Sc.

Vice-Chairman and non-executive director. Patrick Helps (57) served with the company for 32 years becoming Production Director in 1973 and Vice-Chairman in 1998. In 2001 he resigned as an executive director and became a non-executive director.

Timothy E. Bonham

Managing Director. Tim Bonham (50) joined the company as Retail Director in 1990 and became Managing Director in 1998. Prior to joining the company he was with Watney Mann and Truman Brewers for eleven years and Whitbread plc for eight years where he held various positions, finally as a Director and General Manager of Whitbread Inns.

Nicholas J. Forman Hardy, D.L.

Non-executive director. Nicholas Forman Hardy (54) joined the company in 1987. He is a Director of Forman Hardy Holdings Limited. Formerly the Chairman of the Nottingham-based media group T. Bailey-Forman Limited, he is now Chairman of T. Bailey Fund Managers Limited and T. Bailey Asset Management Limited and holds other chairmanships in agriculture.

Jonathan P. Webster, M.A., M.B.A.

Retail Director. Jonathan Webster (41) joined the company in 1998. He is responsible for the management of the company's retail operations and site selection and development. He has extensive experience in the operation of both managed and tenanted public houses, having spent two years with Tom Cobleigh plc as Operations Director and 13 years with Bass PLC including the role of regional Retail Director of Bass Taverns.

David A.G. Smith, F.C.M.A.

Finance Director and Company Secretary. David Smith (46) joined the company in 1999. Prior to his appointment he spent three years as Group Finance Director of Blacks Leisure Group plc and five years with Pentland Group plc, finally as Senior Vice-President of Speedo International Limited. He has extensive financial and general management experience in branded businesses.

Iain S. Masson, M.Sc., Dip.I.Br., M.B.A.

Production Director. Iain Masson (45) joined the company in January 2001. He is responsible for Production, Distribution and Cellar Services. Prior to his appointment he spent two years as Head Brewer of Greene King plc, nine years with Greenalls plc and nine years with Bass PLC. He has wide-ranging experience of beer production, trade technical and customer services.

ADVISERS

Auditors

Page Kirk, Sherwood House, 7 Gregory Boulevard, Nottingham, NG7 6LB

Bankers

Lloyds TSB Bank plc, Butt Dyke House, 33 Park Row, Nottingham, NG1 6GZ

Corporate Advisers and Stockbrokers

Old Mutual Securities, Old Mutual Place, 2 Lambeth Hill, London, EC4V 4GG

Solicitors

Browne Jacobson, 44 Castle Gate, Nottingham, NG1 7BJ

DIRECTORS' REPORT AND
FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors present their report for the 53 weeks ended 4th October 2002. The comparative figures for 2001 cover a 52 week period. The period ending 3rd October 2003 will be a 52 week accounting period.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company consist of the brewing of beer, the wholesaling and retailing of beer, wines and spirits and soft drinks, the retailing of food and the ownership and management of public houses.

A review of the period's activities and future developments is contained in the Chairman's Statement on pages 2 to 4.

RESULTS AND DIVIDENDS

The company profit for the period is shown on page 18. Adjusted operating profit of £12.3m and adjusted profit before tax of £12.5m increased by 20% and 16% respectively (see note 11). Operating profit in the period increased from £9.3m to £12.3m and profit before tax was £16.7m compared to £10.0m in 2001. Profit before tax included £4.2m profit on the disposal of assets in the period compared to £0.1m in 2001. The results cover a 53 week period compared to 52 weeks in 2001. This had the effect of increasing operating profit and profit before tax in the period by £0.3m. Earnings per ordinary share in the period were 51.41 pence whilst adjusted earnings per share increased by 15% from 30.18 pence to 34.56 pence (see note 10).

Interim dividends were paid on 5th August 2002 on the ordinary and deferred ordinary shares of 5.9 pence per share and 5.65 pence per share respectively. The directors recommend a final dividend of 10.5 pence per share on both the ordinary and deferred ordinary shares which, if approved, will be paid on 3rd March 2003 to shareholders on the Register at the close of business on 7th February 2003. This represents a total ordinary dividend for the period of 16.4 pence per share, an increase of 11%.

DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

Details of the company's financial instruments are disclosed in note 28 to the financial statements, which have been prepared in accordance with FRS 13. The company's only financial liabilities as

defined by the standard are the 4% irredeemable first mortgage debenture stock and the first and second cumulative preference shares.

It is the company's policy to invest the majority of cash reserves in short-term interest bearing deposit accounts. The company does not use financial derivatives and its business does not involve material exposure to foreign exchange transactions.

SUBSTANTIAL INTERESTS IN SHARE CAPITAL

As at 20th December 2002 the directors are aware of the following substantial interests, holding or with interest in 3% or more of the ordinary called-up share capital of the company:

Britannic Asset Management Ltd.	1,941,500	9.70%
Boston Safe Deposit and Trust Company	1,129,981	5.64%
Harbour Investments	777,515	3.88%
(also included in the beneficial interests of Mr N.J. Forman Hardy)		

Hardy Hanson Holdings Limited with 300,000 shares in issue owns the whole of the deferred ordinary shares in Hardys & Hansons p.l.c. and therefore controls 50% of the equity shareholders' voting rights.

DIRECTORS

The names of the current directors of the company and their biographical details are set out on page 8. All directors served throughout the period. T.E. Bonham and D.A.G. Smith retire by rotation and offer themselves for re-election.

DIRECTORS' REMUNERATION

The company seeks to remunerate directors at a level which is competitive to attract, retain and motivate those with appropriate capabilities and experience.

No formal remuneration committee is in operation for directors and therefore the company has not fully complied with Sections A and B of the best practice provisions annexed to the Stock Exchange Listing Rules. The chairman and independent non-executive director review directors' remuneration annually following recommendations from a wholly independent

management consultant. This is currently believed to be appropriate and effective and is referred to further in the Statement of Corporate Governance on pages 15 and 16.

The elements of the executive directors' remuneration packages are basic salary, bonus, share allocations under the share incentive plan, benefits in kind (primarily the provision of a company car) and contributions to the pension scheme. Bonus is earned by achievement of adjusted profit before tax and business channel performance against budget and delivery of qualitative objectives.

All full-time executive directors are members of the share incentive plan. In 2002 the share

incentive plan replaced the company's employees' share scheme. In any year in which an allocation of profit is made to the share incentive plan, the independent trustees will acquire ordinary shares of the company in the market. Allocations of shares are made to individual members in proportion to basic salary, subject to a £3,000 cap, and such shares are held by the Trustees on behalf of the members. Shares held by the Trustees on behalf of the directors are included in their beneficial holdings shown on page 12.

Details of the disclosures required by paragraphs 12.43 A(c), A(c)(ii), A(c)(iii) and A(c)(iv) of the Listing Rules are shown below. An analysis of the directors' remuneration is set out below:

	Basic salary/fee		Bonus		Value of shares allocation ¹		Cash value of benefits in kind		TOTAL	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
R.W.D. Hanson	66	60	—	—	—	3	6	9	72	72
P.T. Helps	11	35	—	—	—	—	1	3	12	38
T.E. Bonham	126	103	25	—	3	6	11	9	165	118
N.J. Forman Hardy	11	11	—	—	—	—	—	—	11	11
J.P. Webster	105	87	22	—	3	5	10	8	140	100
D.A.G. Smith	103	94	19	—	3	5	3	3	128	102
I.S. Masson	87	56	12	—	3	3	11	38	113	97
	509	446	78	—	12	22	42	70	641	538
Total pension and death in service contributions									51	241
Total emoluments									692	779

Pension benefit entitlements of the directors²

	Increase in accrued pension during the period ³	Transfer value of increase ⁴	Accumulated total accrued pensions
	2002	2002	2002
	£000	£000	£000
T.E. Bonham	1	2	20
J.P. Webster	2	6	6
D.A.G. Smith	2	6	4
I.S. Masson	1	5	2

Notes:

- 1) The value of shares allocation results from membership of the share incentive plan (2002) and the employees' share scheme (2001).
- 2) The pension entitlement shown is that which would be paid annually on normal retirement based on service to the end of the period. Details of the company's pension scheme, of which the directors are members, are contained in note 25.
- 3) The increase in accrued pension during the period is after allowing for an inflation increase of 1.7% for the period.
- 4) The transfer value has been calculated on the basis of actuarial advice, with reference to the minimum funding requirement basis, and in accordance with Actuarial Guidance Note GN11.

DIRECTORS' REPORT (CONT.)

DIRECTORS' SERVICE CONTRACTS

A summary of the service contracts of current executive directors is as follows:

R.W.D. Hanson	6 months
T.E. Bonham	12 months
J.P. Webster	12 months
D.A.G. Smith	12 months
I.S. Masson	12 months

NON-EXECUTIVE DIRECTORS

The remuneration of the non-executive directors is set by the executive directors and consists of fees for services in connection with Board and other advisory meetings. They do not have service contracts. N.J. Forman Hardy was appointed for

two years from 2nd November 2002. He is considered by the Board to be independent of management, is recognised as the senior non-executive director and is free from any business or other relationship which could interfere with the exercise of his independent judgement. P.T. Helps was appointed for two years from 19th February 2002. He is not considered independent due to his past involvement as an executive director of the company. Each non-executive director holds interests in the company and in Hardy Hanson Holdings Limited as listed below. They do not participate in the share incentive plan and are not eligible for pension scheme membership.

DIRECTORS' INTERESTS

The interests of directors in office at 4th October 2002 were:

	4th October 2002		28th September 2001	
	Beneficial	Non-beneficial	Beneficial	Non-beneficial
R.W.D. HANSON				
Second preference	2,923	—	2,923	—
5p Ordinary	234,056	36,390	232,947	36,390
Hardy Hanson Holdings Limited	4,842	—	4,842	—
P.T. HELPS				
First preference	240	40	240	40
Second preference	403	172	403	172
5p Ordinary	125,399	453,243	65,892	680,465
Hardy Hanson Holdings Limited	7,184	16,563	5,737	20,906
T.E. BONHAM				
First preference	100	—	100	—
5p Ordinary	15,310	—	13,395	—
N.J. FORMAN HARDY				
First preference	1,500	—	1,500	—
Second preference	2,598	—	2,598	—
5p Ordinary	1,359,520	—	1,359,520	—
Hardy Hanson Holdings Limited	65,513	42,375	65,513	42,375
J.P. WEBSTER				
5p Ordinary	6,681	—	4,618	—
D.A.G. SMITH				
5p Ordinary	3,701	—	2,088	—
I.S. MASSON				
5p Ordinary	1,038	—	—	—

No arrangement to which the company was a party existed at the end of the financial period or at any time during that period whose objects enabled the directors to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any body corporate, other than as participants in the share incentive plan.

There were no transactions in which any director had a material interest, other than in connection with service agreements.

Following the year end T.E. Bonham, J.P. Webster, D.A.G. Smith and I.S. Masson have each acquired 71 shares under the share incentive plan. There have been no other movements in directors' interests, whether beneficial or non-beneficial, between 4th October 2002 and 20th December 2002.

DONATIONS AND SUBSCRIPTIONS

During the period, the company contributed £5,000 for charitable purposes.

EMPLOYEES

The company aims for fair reward and recognition for all employees. It is policy to provide training which develops skills and helps to achieve corporate objectives. The company is committed to an active Equal Opportunities Policy which means people are assessed for employment, development, appraisal or promotion without regard to age, gender, race, ethnic origin, religion or disability.

Internal communications seek to ensure that staff are well informed about the company's progress through the management structure on a day-to-day basis as well as through regular bulletins. This is achieved by periodic briefings by the directors separately with their own staff, at which information on matters which concern them is presented. At these briefings provision is made for employees themselves to make suggestions or raise matters of concern.

Financial statements published half-yearly to shareholders are also made available and briefed to employees. The new share incentive plan which has replaced the well established employees' share scheme provides encouragement to staff to contribute to the success of the business and

thereby achieve a direct share of profits which is measured against the overall performance of the company.

ENVIRONMENT

Brewing beer involves the use of natural products, primarily malted barley, hops, yeast and water. Co-products of brewing are, where possible, recycled, e.g. spent grains as cattle feed. Energy used within the brewing and packaging processes is recycled as far as practicable. The company is committed to compliance with the climate change levy as part of the brewing sector agreement with the British Beer and Pub Association. Whilst the company is on track to meet its agreed energy efficiency quotient targets up to 2010 it continues to target further reductions in energy use both through operational changes and targeted capital investment. The company meets its packaging waste responsibilities through membership of the nationwide compliance scheme "Valpak".

FIXED ASSETS

The company's freehold and leasehold properties were professionally revalued as at 30th September 1994. Since the adoption of FRS15 the company's accounting policy has been not to revalue properties. Consequently, the directors are not in a position to quantify the scale of any change to these values. They do, however, regularly review property values for impairment under the provisions of FRS11.

During the period, the company sold parcels of land in Kimberley with net disposal proceeds of £5.2m and disposed of other various small properties with net proceeds of £0.5m. There have been no other significant changes in the fixed assets during the financial period except in the ordinary course of the business.

A statement of movements in fixed assets during the period is shown in note 12 to the financial statements.

SUPPLIER PAYMENT POLICY

In most instances suppliers are paid by the end of the month following the receipt of an invoice for the supply of goods or services provided the supply has been satisfactorily completed. In the remaining cases payment is made on the basis of terms agreed in advance with individual suppliers.

DIRECTORS' REPORT (CONT.)

Trade creditor days of the company, based on the ratio of company trade creditors at the end of the period to the amounts invoiced during the period by trade creditors, were 38 days, being 27 working days.

CLOSE COMPANY

The Board is of the opinion that the company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the company's affairs and of its 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 assume 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 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 hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The directors are responsible for ensuring that the directors' report and other information included in the

annual report is prepared in accordance with company law. They are also responsible for ensuring that the annual report includes information required by the Listing Rules of the Financial Services Authority.

The maintenance and integrity of the web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the financial statements since they were initially presented on the web site.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

The responsibilities of the company's external auditors in connection with the annual report and financial statements are set out in their report on page 17.

ANNUAL GENERAL MEETING

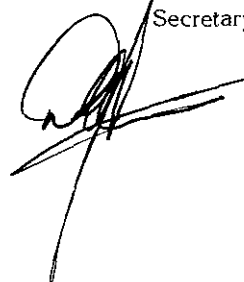
The annual general meeting of the company will be held on Tuesday, 25th February 2003. Full details of the business to be considered are given on page 37.

AUDITORS

On 1st July 2002, the auditors Robt. A. Page Kirk Cree Jepson changed their name to Page Kirk. Accordingly, they have signed the audit report in their new name. Page Kirk have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the annual general meeting.

Kimberley Brewery
Nottingham
20th December 2002

By Order of the Board
D.A.G. SMITH
Secretary



C O R P O R A T E G O V E R N A N C E

The Board is accountable to the company's shareholders for good governance. The statement set out below describes how the principles identified in the Combined Code are applied within the company.

DIRECTORS AND COMMITTEES

The Board consists of a part-time chairman, managing director, three other executive directors and two non-executive directors. Biographies of the Board members appear on page 8 of this report. These indicate the high level and range of business experience which underpins the effective management of the company.

The Board will normally meet at least 12 times each year. There is a schedule of matters reserved for the decision of the Board which includes: approval of overall company strategy, material capital commitments, business acquisitions and disposals, major litigation matters and Board appointments. There is an agreed procedure for directors to take necessary independent professional advice at the company's expense. This is in addition to the access which every director has to the company secretary. The secretary is responsible to the Board for ensuring that Board procedures are followed. Board members are provided with access to appropriate external training courses and to the company's solicitors in respect of their role and duties as a public company director.

The company complied with those provisions of the Code which do not require a minimum of three non-executive directors. Whilst the Board comprises two non-executive directors, the Board does not feel it appropriate, at this stage, to appoint as many as three independent non-executive directors. Therefore, the company has not established separate audit, remuneration or

nominations committees. The company does, however, continue the long-established practice of basing the directors' remuneration on the recommendations of a wholly independent management consultant, who reports to the chairman and the independent non-executive director.

The responsibility for reviewing accounting procedures, internal controls and for the review and approval of the company's financial statements is the joint responsibility of all directors.

Appointments to the Board are the joint responsibility of all directors; where appropriate, consultants are used to assist the Board in the selection process.

INTERNAL CONTROL

The Board has overall responsibility for the company's systems of internal financial control and, having reviewed the related procedures pursuant to internal control guidance for directors on the Combined Code, it considers that the systems in operation are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide a reasonable, though not absolute, assurance against material misstatement or loss.

The company has an executive management structure through which day-to-day control is maintained. Significant expenditure and investment of surplus funds are sanctioned by the Board after careful appraisal and consideration of the anticipated rate of return. Forecasts and budgets are prepared which allow management to monitor business and financial performance and risks, and the progress towards financial objectives set for the period; monthly management information is prepared promptly providing

CORPORATE GOVERNANCE (CONT.)

relevant, reliable and up-to-date financial and other information; significant variances from budget are investigated as appropriate.

The Board recognises the importance of both financial and non-financial controls and has reviewed the company's control environment and any related shortfalls during the financial year. Specific controls are subject to continuous review as the company implements new information systems, structures and practices. The company seeks continuously to assess the risks to which it is exposed and takes appropriate steps to mitigate or eliminate these wherever possible. Where appropriate, the company arranges insurance cover depending on the possible extent of the risk concerned. The company does not have an internal audit function but the Board reviews the need for such a function periodically. During the period, a comprehensive review of internal controls was undertaken and recommendations for improvement were progressed and are subject to continuing implementation.

The independent auditors' responsibilities are to express an opinion on the financial statements. They review and test the systems of internal financial control and data contained in the financial statements to the extent necessary to express their audit opinion. They report their findings to the Board having discussed the contents with senior management. They attend the Board meeting when the annual financial statements are considered and approved.

GOING CONCERN

Having made appropriate enquiries and taking account of the company's net cash resources, the directors have a reasonable expectation that the company has adequate resources to continue its operations for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

RELATIONS WITH SHAREHOLDERS

The Board is committed to effective communication between the company and its shareholders, who are kept informed of significant company developments. It regards the annual general meeting as a means of communicating directly with private investors and encourages their participation. All directors normally attend the annual general meeting and private investors have the opportunity to meet the directors and discuss any issues on an informal basis. The company welcomes the opportunity to present to and engage in dialogue with institutional shareholders and analysts on company performance and direction.

COMPLIANCE WITH THE CODE

The Board considers, therefore, that the company has complied with all sections of the Code except for provisions A.3.1, B.2.1 and D.3.1.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HARDYS & HANSONS P.L.C.

We have audited the financial statements of Hardys & Hansons p.l.c. for the 53 weeks ended 4th October 2002 on pages 18 to 36. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, United Kingdom Auditing Standards and the Listing Rules of the Financial Services Authority.

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 or the Listing Rules regarding directors' remuneration and transactions with the company is not disclosed.

We review whether the Corporate Governance Statement reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, and we report if it does not. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the company's corporate governance procedures or its risk and control procedures.

We read other information contained in the Annual Report, and consider whether it is consistent with

the audited financial statements. This other information comprises only the Directors' Report, the Chairman's Statement and the Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. 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.

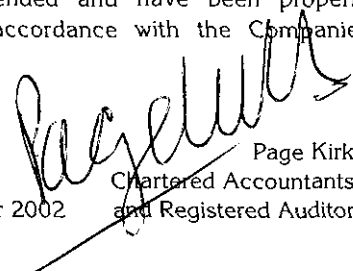
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the 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 4th October 2002 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Nottingham

20th December 2002


Page Kirk
Chartered Accountants
and Registered Auditor

PROFIT AND LOSS ACCOUNT

for the 53 weeks ended 4th October 2002

	Notes	2002		Restated 2001	
		£000	£000	£000	£000
Turnover	3		64,782		54,298
Change in stocks of finished goods and work-in-progress			361		296
			65,143		54,594
Raw materials, consumables and duty			(22,142)		(19,194)
			43,001		35,400
Staff costs	4	(14,939)		(11,919)	
Depreciation		(2,683)		(2,128)	
Other operating costs		(13,078)		(11,243)	
			(30,700)		(25,290)
Operating profit before property impairment			12,301		10,110
Property impairment			—		(775)
Operating profit			12,301		9,335
Disposal of fixed assets	5		4,213		141
			16,514		9,476
Income from fixed asset investments		148		169	
Other interest receivable		86		385	
			234		554
			16,748		10,030
Interest payable	6		(16)		(10)
Profit on ordinary activities before taxation	7		16,732		10,020
Tax on profit on ordinary activities	8		(3,868)		(3,220)
Profit on ordinary activities after taxation			12,864		6,800
Non-equity dividends	9		(23)		(23)
Profit attributable to the equity shareholders			12,841		6,777
Equity dividends	9		(4,088)		(3,688)
Retained profit for the period			8,753		3,089
Earnings per share	10				
Ordinary shares of 5p each			51.41p		27.16p
Deferred ordinary shares of 5p each			51.16p		26.91p
Adjusted earnings per share	10				
Ordinary shares of 5p each			34.56p		30.18p
Deferred ordinary shares of 5p each			34.31p		29.93p

The comparative tax charge and earnings for the 52 weeks to 28th September 2001 have been restated in accordance with FRS19 Deferred Tax.

All activities are continuing.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the 53 weeks ended 4th October 2002

	2002 £000	Restated 2001 £000
Profit for the financial period	12,841	6,777
Unrealised deficit on revaluation of properties	—	(168)
	12,841	6,609
Prior year adjustment (see notes 8 and 22)	(959)	—
Total gains and losses recognised for the period	11,882	6,609

NOTE OF HISTORICAL COST PROFITS

for the 53 weeks ended 4th October 2002

	2002 £000	Restated 2001 £000
Profit on ordinary activities before taxation	16,732	10,020
Realisation of property revaluation gains of prior periods	1,123	318
Difference between the historical cost depreciation charge and the actual depreciation charge for the period calculated on the revalued amount	30	30
Historical cost profit on ordinary activities before taxation	17,885	10,368
Historical cost profit for the period retained after taxation and dividends	9,906	3,437

RECONCILIATION OF MOVEMENTS IN TOTAL SHAREHOLDERS' FUNDS

for the 53 weeks ended 4th October 2002

	2002 £000	Restated 2001 £000
Profit for the financial period	12,841	6,777
Equity dividends	(4,088)	(3,688)
	8,753	3,089
Unrealised deficit on revaluation of properties	—	(168)
Net additions to shareholders' funds	8,753	2,921
Shareholders' funds at 28th September 2001 (originally £96,199,000 before deducting prior year adjustment of £959,000)	95,240	92,319
Shareholders' funds at 4th October 2002	103,993	95,240

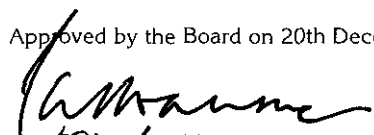
BALANCE SHEET

4th October 2002

		2002		Restated 2001	
	Notes	£000	£000	£000	£000
Fixed assets					
Tangible assets	12		106,185		99,282
Investments	13		1,957		1,656
Shares in Hansons Limited less amounts due	14		110		109
			108,252		101,047
Current assets					
Stocks	15	1,929		1,583	
Debtors	16	4,216		2,727	
Cash at bank and in hand		5,027		3,492	
		11,172		7,802	
Creditors: Amounts falling due within one year	17	(12,554)		(11,303)	
Net current assets			(1,382)		(3,501)
Total assets less current liabilities			106,870		97,546
Creditors: Amounts falling due after more than one year	18	(200)		(200)	
Provisions for liabilities and charges	19	(2,677)		(2,106)	
			(2,877)		(2,306)
Net assets			103,993		95,240
Capital and reserves					
Called-up share capital	20		1,675		1,675
Equity reserves					
Revaluation reserve	21		39,625		40,778
Profit and loss account	22		62,693		52,787
Total Shareholders' funds			103,993		95,240

The comparative balance sheet at 28th September 2001 has been restated in accordance with FRS 19 Deferred Tax.

Approved by the Board on 20th December 2002


R.W.D. HANSON


D.A.G. SMITH
Directors

CASH FLOW STATEMENT

for the 53 weeks ended 4th October 2002

	Notes	2002		2001	
		£000	£000	£000	£000
Net cash inflow from operating activities	26		14,091		14,485
Returns on investments and servicing of finance					
Income from fixed asset investments		148		169	
Other interest received		86		385	
Interest paid		(16)		(10)	
Non-equity dividends paid		(23)		(23)	
			195		521
Taxation					
Corporation tax paid			(3,263)		(3,003)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(11,419)		(20,625)	
Receipts from sales of tangible fixed assets		6,046		498	
Payment to acquire investments		(1)		(205)	
Receipts from sales of investments		5		172	
(Increase) in loans to customers and others		(306)		(165)	
			(5,675)		(20,325)
Equity dividends paid			(3,813)		(3,463)
Increase/(decrease) in net funds			1,535		(11,785)
Management of liquid resources					
(Increase)/decrease in short-term bank deposits			(1,734)		12,931
(Decrease)/increase in cash in the period			(199)		1,146
Reconciliation of net cash flow to movement in net funds	27				
(Decrease)/increase in cash in the period			(199)		1,146
Movement in cash to/(from) liquid resources			1,734		(12,931)
Increase/(decrease) in net funds			1,535		(11,785)
Net funds at 28th September 2001			3,492		15,277
Net funds at 4th October 2002			5,027		3,492

Liquid resources comprise term deposits of less than one year.

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The principal accounting policies adopted are described below.

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified by the revaluation of properties and land, and follow the form prescribed by the Companies Act 1985. They are made up to the Friday nearest to 1st October. Periodically, this results in a 53 week financial period.

SALES OF PROPERTIES AND INVESTMENTS

Profits and losses on the sale of properties and investments are reflected in the profit and loss account based on the net carrying amount.

VALUATIONS

Surpluses arising from the professional valuation of properties are taken direct to the revaluation reserve. Valuation surpluses realised on sale are transferred to the profit and loss account. Any deficit arising from the professional valuation of properties is taken direct to the revaluation reserve to the extent that such deficit leaves the carrying value above historic cost. Any further diminution in value of an individual property is charged to the profit and loss account.

TANGIBLE FIXED ASSETS

Prior to the adoption of FRS 15 in the 2000 financial period, properties were revalued on a cyclical basis. Since the adoption of FRS 15, the policy has been not to revalue properties. Consequently, they have not been updated. Details of the last revaluations are given in note 12. Other fixed assets are stated at cost.

Depreciable fixed assets are written off on a straight line basis over their estimated useful lives, as follows:

- Freehold land is not depreciated.
- Freehold buildings are depreciated to their estimated residual values over periods up to 50 years.
- Leasehold properties are depreciated to their estimated residual values over the shortest of either 50 years or their estimated useful lives or their remaining lease period.
- Computer equipment is depreciated over 4 to 7 years.

- Retail furniture, fixtures and equipment are depreciated over 4 to 10 years.
- Vehicles are depreciated over 4 to 5 years.
- Manufacturing plant and vessels are depreciated over 10 to 20 years.

The carrying values of tangible fixed assets are reviewed for impairment in accordance with FRS 11 if there are indications that the carrying value may not be fully recoverable. Any impairment in the value of fixed assets below depreciated historical cost is charged to the profit and loss account. Profits and losses on disposal of fixed assets reflect the difference between net selling price and book value at the date of disposal.

GOODWILL

Goodwill arising on acquisitions is capitalised and amortised, on a straight line basis, over its estimated useful life up to a maximum of 20 years. Goodwill written off against reserves in previous periods has not been reinstated.

MAINTENANCE AND IMPROVEMENT OF PROPERTIES

Additions to and major refurbishment of premises are capitalised; minor capital projects are charged against profits.

STOCKS

Stocks are valued as follows:

- (a) Raw materials and bought-in goods at cost plus overheads.
- (b) Work-in-progress and finished stocks at the cost of materials, duty (where applicable) and labour and overheads.

DEFERRED TAXATION

Deferred tax is recognised on all timing differences which have originated, but not reversed, at the balance sheet date. Timing differences represent accumulated differences between the company's taxable profit and its financial profit and arise primarily from the difference between accelerated capital allowances and depreciation. Deferred tax liabilities and assets are not discounted.

Previously, deferred tax was provided for on a partial provision basis, whereby provision was made on all timing differences to the extent that they were expected to reverse in the future without replacement. The impact of the change in accounting policy is presented further in note 8 to the financial statements.

1 ACCOUNTING POLICIES (CONT.)

PENSIONS

The company operates a contributory defined benefit pension scheme available to qualifying employees over the age of 20 years. The scheme is funded at rates determined by professionally qualified actuaries every three years. These contributions are invested separately from the company's assets. Contributions are charged against profits so as to spread the cost of providing the expected benefits over the members' anticipated service lives with the company.

LEASES

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The company's policy is to state all financial liabilities at their nominal value. Interest is dealt with in the period in which it arises. For further information, see note 28.

2 CHANGES TO ACCOUNTING POLICIES

The company has adopted FRS 19 (Deferred Tax). As a result of this, the deferred taxation charge has changed and comparative figures have been restated accordingly. The effect of these changes is shown in notes 8 and 22. The adoption of FRS 18 (Accounting Policies) has not resulted in any change to the financial statements in either the current or prior period. The further disclosures required under the transitional period of FRS 17 (Pensions) are included in note 25. Apart from these there is no other impact upon the financial statements.

3 TURNOVER

Turnover represents net sales to outside customers, rents receivable and commission, excluding value added tax. There were no exports during the period. Turnover is attributable to one activity.

4 STAFF NUMBERS AND COSTS

The average number of persons employed by the company (including directors) during the period was as follows:

	2002	2001
Management, administration and sales	71	70
Production and distribution	68	64
Managed houses	1,637	1,348
	1,776	1,482

The above totals include 1,427 (1,156) part-time staff, mainly employed at managed houses, who were approximately equivalent to 742 (611) full-timers.

The aggregate payroll costs of the employees were as follows:

	£000	£000
Wages and salaries	13,759	11,002
Social security costs	813	616
Pension schemes	367	301
	14,939	11,919

Details of directors' remuneration and pension entitlements are set out on pages 10 and 11.

NOTES TO THE
FINANCIAL STATEMENTS (CONT.)

5 DISPOSAL OF FIXED ASSETS

	2002	2001
	£000	£000
Surplus on sale of properties	4,213	21
Profit on sale of investments	—	120
	4,213	141

6 INTEREST PAYABLE

	2002	2001
	£000	£000
On deposits repayable within five years	2	2
On debenture stock	8	8
On bank overdraft	6	—
	16	10

7 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit before taxation is attributable to one activity and is stated after crediting or charging the following:

	2002 £000	Restated 2001 £000
Income from listed investments	130	124
Directors' remuneration:		
Fees	22	19
Managerial services	607	497
Pension and death in service contributions	51	241
Share incentive plan/Employees' share scheme allocation	12	22
	692	779
Maintenance and improvement of properties	2,285	2,278
Fees payable to the auditors: as auditors	36	34
for other services	21	31
Hire of plant, machinery and motor vehicles	139	91
	3,173	3,213

8 TAXATION

	2002 £000	2001 £000
Analysis of charge for the period		
Current tax:		
Corporation tax based on the profits	3,490	2,963
Overprovision in prior year	(151)	(4)
Total current tax	3,339	2,959
Deferred tax:		
Origination and reversal of timing differences	378	261
Under provision in prior year	151	—
Tax on profit on ordinary activities	3,868	3,220
Effective rate on adjusted profits post-FRS 19	30.9%	30.2%
Effective rate on adjusted profits pre-FRS 19	28.9%	29.2%

Adjusted profits are profits after interest but before property impairment and disposal of fixed assets costs/profits.

The effective rate post-FRS 19 has increased due to a higher charge for expenses not deductible when property impairments are adjusted.

The adoption of FRS 19 has also resulted in an increase in the deferred tax liability. The deferred tax liability at the balance sheet date is £2,090,000. £959,000 of this is the adjustment relating to this adoption and this has been accounted for as a prior year adjustment through the reserves. The deferred tax provision has not been discounted to its present value.

	2002 £000	Restated 2001 £000
Factors affecting the tax charge for the period:		
Profit on ordinary activities before taxation	16,732	10,020
Corporation tax at standard rate of 30%	5,020	3,006
Effects of:		
Expenses not deductible for tax purposes	150	301
Income from listed investments	(39)	(37)
Capital allowances for period in excess of depreciation	(391)	(257)
Pension accruals	14	(4)
Utilisation of tax losses	(98)	(40)
Rollover relief on profit on property disposals	(1,166)	(6)
Adjustment to tax charge for prior periods	(151)	(4)
Current tax charge for the period	3,339	2,959

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

8 TAXATION (CONT.)

Factors that may affect future tax charges

Based on current capital investment plans, the company expects to be able to claim capital allowances in excess of depreciation in future periods but at a slightly lower level than in the current period.

No provision has been made for deferred tax on gains recognised on past revaluations of property or on the sale of properties where potentially taxable gains have been rolled over into replacement assets. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided for is £2,543,000 (£1,015,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

The company has capital losses of £938,000 (£653,000) which are available indefinitely for offset against future capital gains. Deferred tax assets have not been recognised in respect of these losses because it is unclear whether suitable gains will arise in the foreseeable future to utilise these losses.

9 DIVIDENDS

			2002 £000	2001 £000
Dividends paid or provided:	pence per share			
Non-equity				
First preference shares	5.00	5.00	11	11
Second preference shares	6.00	6.00	12	12
			23	23
			2002 £000	2001 £000
Equity				
Ordinary shares interim	5.90	5.40	1,180	1,080
Ordinary shares proposed final	10.50	9.40	2,100	1,880
Deferred ordinary shares interim	5.65	5.15	283	258
Deferred ordinary shares proposed final	10.50	9.40	525	470
			4,088	3,688

10 EARNINGS PER SHARE

Earnings per share are calculated on 20 million ordinary shares and 5 million deferred ordinary shares, using the profit attributable to the equity shareholders amounting to £12,841,000 (£6,777,000 restated). The profits resolved to be distributed as ordinary dividends in any year are applied first in the payment of 0.25 pence per share to the ordinary shareholders and the balance rateably among the holders of the ordinary and deferred ordinary shares.

Adjusted earnings per share is presented to demonstrate more clearly the underlying performance of the company and is calculated as follows:

	£000 Profits		pence Earnings per share			
	Restated		Restated			
	2002	2001	2002	2001	2002	2001
			Ord	Def Ord	Ord	Def Ord
Profit attributable to equity shareholders and earnings per share	(+ 89%) 12,841	6,777	51.41	51.16	27.16	26.91
Disposal of fixed assets	(4,213)	(141)	(16.85)	(16.85)	(0.56)	(0.56)
Property impairment	—	775	—	—	3.10	3.10
Brewery redundancy costs	—	120	—	—	0.48	0.48
Adjusted profits and earnings per share	(+ 15%) 8,628	7,531	34.56	34.31	30.18	29.93

Earnings per share on the diluted basis show no change to the basic amount.

11 ADJUSTED OPERATING PROFIT AND PROFIT BEFORE TAX

Adjusted operating profit and profit before tax is presented to demonstrate more clearly the underlying performance of the company and is calculated as follows:

	2002 £000	2001 £000
Operating profit	(+ 32%) 12,301	9,335
Property impairment	—	775
Operating profit before property impairment	12,301	10,110
Brewery redundancy costs	—	120
Adjusted operating profit	(+ 20%) 12,301	10,230
Profit before tax	(+ 67%) 16,732	10,020
Property impairment	—	775
Brewery redundancy costs	—	120
Profit on disposal of fixed assets	(4,213)	(141)
Adjusted profit before tax	(+ 16%) 12,519	10,774

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

12 TANGIBLE FIXED ASSETS

	Properties			Plant, machinery and motor vehicles	Containers and fixtures	Total
	Freehold £000	Long leasehold £000	Short leasehold £000	£000	£000	£000
Cost or valuation						
28th September 2001	84,641	3,748	640	5,415	23,879	118,323
Additions	6,465	1,400	—	454	3,100	11,419
Disposals	(1,637)	—	(125)	(126)	(833)	(2,721)
Revaluation	—	—	—	—	—	—
4th October 2002	89,469	5,148	515	5,743	26,146	127,021
At cost	33,745	5,138	462	5,743	26,146	71,234
At valuation 1994	55,643	10	—	—	—	55,653
At valuation 2002	81	—	53	—	—	134
	89,469	5,148	515	5,743	26,146	127,021
Less depreciation						
28th September 2001	746	361	194	4,385	13,355	19,041
Charge for the period	178	21	156	178	2,150	2,683
Disposals	(149)	—	(125)	(109)	(505)	(888)
Provision	—	—	—	—	—	—
4th October 2002	775	382	225	4,454	15,000	20,836
Net book value						
4th October 2002	88,694	4,766	290	1,289	11,146	106,185
28th September 2001	83,895	3,387	446	1,030	10,524	99,282
The comparable amounts determined under historical cost accounting are:						
Cost	51,295	5,148	515	5,743	26,146	88,847
Depreciation	(478)	(383)	(225)	(4,454)	(15,000)	(20,540)
Net book value						
4th October 2002	50,817	4,765	290	1,289	11,146	68,307
28th September 2001	45,026	3,386	446	1,030	10,524	60,412

The 1994 valuation was carried out by Chesterton International p.l.c. The 2002 valuation was carried out by various valuers only in respect of properties made available for sale. The bases of the valuation were, for the public houses and development sites, open market value in accordance with the Statements of Asset Valuations and Guidance Notes of the Royal Institution of Chartered Surveyors. The 1994 valuation disclosed a surplus of £30.9m which has been credited to the revaluation reserve.

13 INVESTMENTS

	Listed £000	Loans to customers and others £000	Total £000
Cost 28th September 2001	741	915	1,656
Additions	—	635	635
Disposals and repayments	(5)	(329)	(334)
Cost 4th October 2002	736	1,221	1,957

At 4th October 2002 the market value of listed investments, which are all dealt with on a recognised stock exchange, was £2,908,000 (£3,699,000).

14 RELATED PARTY TRANSACTIONS — HANSONS LIMITED (A WHOLLY OWNED SUBSIDIARY)

	2002 £000	2001 £000
Shares in Hansons Limited at cost	175	175
Balance due to Hansons Limited	(65)	(66)
	110	109
Nominal value of 4% Irredeemable Debenture Stock held in Hardys & Hansons p.l.c.	132	132

During the period, Hansons Limited received £5,000 gross interest on the debenture stock from the company and an equivalent charge was made.

15 STOCKS

	2002 £000	2001 £000
Raw materials	50	51
Consumable stores	66	80
Beer in process	97	62
Finished products	1,716	1,390
	1,929	1,583

16 DEBTORS

	2002 £000	2001 £000
Trade debtors	2,822	2,067
Other debtors	97	213
Prepayments and accrued income	1,297	447
	4,216	2,727

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £000	2001 £000
Trade creditors	4,612	4,138
Taxation	1,688	1,612
Other taxes and social security costs	1,317	1,117
Other creditors	1,270	1,322
Accruals	1,030	752
Ordinary shares proposed final dividend	2,100	1,880
Deferred ordinary shares proposed final dividend	525	470
Preference dividend	12	12
	12,554	11,303

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002 £000	Restated 2001 £000
4% Irredeemable first mortgage debenture stock secured on certain properties and by a general charge on the undertaking	200	200

19 PROVISIONS FOR LIABILITIES AND CHARGES

	2002 £000	2001 £000
Pensions — Balance 28th September 2001	545	594
Charge/(release) for the period	42	(49)
Balance 4th October 2002	587	545
Deferred Taxation	2,090	1,561
	2,677	2,106
Deferred taxation		
Provided at 30% in respect of:		
Accelerated capital allowances	2,295	1,752
Short-term timing differences	(205)	(191)
	2,090	1,561
Movement in provision		
Balance 28th September 2001	1,561	1,300
Charge for the period	378	261
Underprovision in prior year	151	—
Balance 4th October 2002	2,090	1,561

20 SHARE CAPITAL

	Authorised 2002 and 2001 £000	Allotted, called-up and fully paid	
		2002 £000	2001 £000
Non-equity capital			
5% First cumulative preference shares of £1 each	225	225	225
6% Second cumulative preference shares of £1 each	250	200	200
Equity capital			
Ordinary shares of 5p each	1,000	1,000	1,000
Deferred ordinary shares of 5p each	250	250	250
	1,725	1,675	1,675

The 5% first cumulative preference shareholders are entitled to a fixed cumulative preferential dividend at that rate and, subject thereto, the 6% second cumulative preference shareholders are entitled to a fixed cumulative preferential dividend at that rate. These shares have, respectively, a first and second entitlement to amounts receivable on a winding-up, not exceeding the amounts paid up on these shares plus any arrears of dividends. Voting rights attach to these shares if dividends are in arrears by more than one month and six months respectively and in certain other circumstances.

After payment of the two cumulative preference dividends above, the profits resolved to be distributed as ordinary dividends in any financial period are applied first in the payment of a non-cumulative 0.25 pence per share to the ordinary shareholders and the balance rateably among the holders of the ordinary and deferred ordinary shares.

Each ordinary share carries one vote and each deferred ordinary share carries four votes.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

21 REVALUATION RESERVE

	2002		Restated 2001	
	£000	£000	£000	£000
Balance 28th September 2001		40,778		41,294
Profit and loss account: properties sold	(1,123)		(318)	
Transfer to profit and loss account	(30)		(30)	
		(1,153)		(348)
Revaluation deficit		—		(168)
		39,625		40,778

22 PROFIT AND LOSS ACCOUNT

	2002 £000	2001 £000
Balance 28th September 2001 — as previously reported	53,746	49,350
Prior year adjustment	(959)	—
As restated	52,787	49,350
Retained profit for the period	8,753	3,089
Proposed transfers — Revaluation reserve	1,153	348
	62,693	52,787

23 CAPITAL COMMITMENTS

	2002 £000	2001 £000
Outstanding contracts	151	63

24 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

At 4th October 2002 the company had annual commitments under non-cancellable operating leases as set out below:

	2002		2001	
	Land & Buildings £000	Other £000	Land & Buildings £000	Other £000
Operating leases which expire:				
Within one year	—	—	—	—
In the second to fifth years inclusive	—	—	—	—
Over five years	185	—	198	—
	185	—	198	—

25 PENSION SCHEMES

The company operates a defined benefit scheme. The assets are held in separate insured funds. The ongoing scheme was valued by independent actuaries, Jardine Lloyd Thompson, on 30th April 2001, using the projected unit credit method with a one year control period. The key assumptions used for the valuation for accounting purposes and the resulting funding level are as follows:

	2002 % p.a.	2001 % p.a.
Inflation	2.5	3.0
Pension in payment increases	2.3	2.5
General pay increases	3.5	4.0
Rate used to discount scheme liabilities	5.5	6.0
Revaluation rate for deferred pensioners	2.5	2.5

Excluding death in service costs and administrative and auditing services the regular cost is 9.5% which, after adjustment for spreading the scheme surplus, results in a contribution rate for future years of 6.0%.

The assets and liabilities of the scheme were as follows:

	2002 £000	2001 £000
Equities	3,521	4,429
Bonds	1,860	1,452
Property	996	—
Cash	692	1,524
Market value of assets	7,069	7,405
Value of accrued liabilities	(6,876)	(6,315)
Scheme asset	193	1,090
Funding level	103%	117%

The expected long-term rate of return over the following period is 4.95% for bonds (2001: 5.0%), 8.53% for equities (2001: 7.0%), 4.5% for cash (2001: 4.5%) and 5.5% for property (2001: not applicable).

If the above amounts had been recognised in the financial statements, the company's net assets at 4th October 2002 would be as follows:

	2002 £000	Restated 2001 £000
Net assets excluding pension asset	103,993	95,240
Pension asset	193	1,090
Net assets including pension asset	104,186	96,330

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

25 PENSION SCHEMES (CONT.)

Additionally, if the pension costs had been recognised in accordance with FRS 17, the following components of the pensions charge would have been recognised in the profit and loss account and statement of total recognised gains and losses for the period ended 4th October 2002:

	2002
	£000
Analysis of amounts chargeable to profit and loss account:	
Current service cost	(597)
Less employee contributions	148
	(449)
Financing:	
Expected return on pension scheme assets	447
Interest on expected scheme liabilities	(389)
Net return	58
	(391)

Analysis of amounts recognisable in the statement of total recognised gains and losses:

Actual return less expected return on pension scheme assets	(866)
Experience gains and losses arising on scheme liabilities	477
Changes in assumptions underlying the present value of scheme liabilities	(372)
Total actuarial loss recognised	(761)

The total movement in the company's share of the scheme's surplus during the period is made up as follows:

	2002
	£000
Surplus on the scheme at the beginning of the period	1,090
Movement in period:	
Current service cost	(597)
Contributions	403
Other finance income	58
Actuarial loss recognised above	(761)
Surplus in scheme at the end of the period	193

The experience gains and losses for the year ended 4th October 2002 were as follows:

	2002
	£000
Difference between the expected and actual return on scheme assets:	
Investment loss	(866)
Percentage of scheme assets	(12%)
Experience gains and losses on scheme liabilities:	
Experience gain	477
Percentage of the present value of scheme liabilities	7%
Total amount recognised in the statement of total recognised gains and losses:	
Actuarial loss	(761)
Percentage of the present value of scheme liabilities	(11%)

25 PENSION SCHEMES (CONT.)

The pension scheme and death in service charges are now separate. The total charge is £367,000 (£301,000), which is net of £70,000 (£58,000) in respect of amortisation of surpluses that are being recognised over the remaining period of the former fifteen year control period of the scheme.

	2002 £000	2001 £000
Accrued contributions amounted to	97	93

26 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002 £000	2001 £000
Operating profit	12,301	9,335
Depreciation charge	2,683	2,903
(Increase) in stocks	(346)	(241)
(Increase) in debtors	(1,489)	(160)
Increase in creditors	942	2,648
Net cash inflow from operating activities	14,091	14,485

27 ANALYSIS OF CHANGES IN NET FUNDS

	At 28th Sept 2001 £000	Cash Flows £000	At 4th Oct 2002 £000
Cash in hand, at bank	1,196	(199)	997
Short-term bank deposits	2,296	1,734	4,030
Total	3,492	1,535	5,027

Short-term deposits are included within cash at bank and in hand in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

28 DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise debenture stock, preference shares, fixed asset investments and cash. Short-term debtors and creditors have been excluded from the disclosures in this note.

The financial liabilities of the company as at 4th October 2002 were all denominated in pounds sterling and held at fixed rates as disclosed in notes 18 and 20.

The comparisons by category of book values and fair values of the company's financial liabilities were as follows:

	2002		2001	
	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000
4% Irredeemable first mortgage debenture stock	200	141	200	146
5% First cumulative preference shares	225	158	225	182
6% Second cumulative preference shares	200	160	200	172
	625	459	625	500

The interest rate profile of the financial assets of the company were as follows:

Investments in interest bearing assets

	2002 £000	2001 £000
Held at fixed interest rates	4,030	2,296
Held at floating interest rates	399	1,697
	4,429	3,993
Non-interest earning amounts	598	(501)
Cash at bank and in hand	5,027	3,492

Investments in interest bearing assets comprise short term deposits with a maturity date not exceeding one year.

NOTICE OF ANNUAL GENERAL MEETING

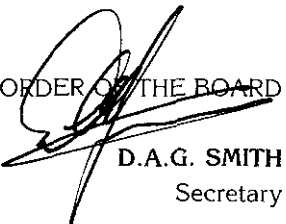
NOTICE IS HEREBY GIVEN THAT the 105th annual general meeting of the company will be held at the Nottingham Gateway Hotel, Nuthall Road, Nottingham, NG8 6AZ on Tuesday, the 25th day of February 2003 at 11.30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the financial statements for the fifty-three weeks ended 4th October 2002 and the reports of the directors and auditors.
2. To declare final dividends on the ordinary shares and the deferred ordinary shares.
3. To re-elect Mr T.E. Bonham, who is retiring in accordance with the articles of association of the company, as a director.
4. To re-elect Mr D.A.G. Smith, who is retiring in accordance with the articles of association of the company, as a director.
5. To re-appoint Page Kirk as auditors and to authorise the directors to set their remuneration.

Registered Office
Kimberley Brewery
Nottingham
NG16 2NS

BY ORDER OF THE BOARD



D.A.G. SMITH
Secretary

16th January 2003

SHAREHOLDER INFORMATION

FINANCIAL CALENDAR 2003

Annual General Meeting	25th February
Payment of final dividend for 2001/2002	3rd March
Announcement of results and interim dividend for 2002/2003 and publication of Interim Statement	Early June
Payment of interim dividend for 2002/2003	Early August
Full year preliminary announcement of results and proposed final dividend for 2002/2003	Mid-December

REGISTERED OFFICE

Kimberley Brewery, Nottingham, NG16 2NS
Registered in England, company registration number: 52412
Telephone 0115 938 3611

REGISTRARS

Capita IRG Plc
Bourne House, 34 Beckenham Road, Beckenham, Kent, BR3 4TU

TRUSTEES FOR DEBENTURE STOCKHOLDERS

Lloyds TSB Private Banking Ltd
UK Trust Centre, The Clock House, 22/26 Ock Street, Abingdon, Oxford, OX14 5SW

CAPITAL GAINS TAX

Official Stock Exchange prices:

		31st March 1982
5p	Ordinary shares	£0.726
£1	5% First preference shares	£0.325
£1	6% Second preference shares	£0.345
£100	4% First mortgage debenture stock	£26.25

ANNUAL GENERAL MEETING

The 105th annual general meeting of Hardys & Hansons p.l.c. will be held at the Nottingham Gateway Hotel, Nuthall Road, Nottingham, NG8 6AZ on 25th February 2003 at 11.30 a.m.

HARDYS & HANSONS ESTATE

CHESHIRE

Governor's House, Cheadle Hulme
King's Ransom, Sale

DERBYSHIRE

Anglers Arms, Spondon
Bateman Arms, Stanley Common
Bell Inn, Cromford
Black Horse, Somercotes
Black Swan, Crich
Blacks Head, Wirksworth
Blue Bell, South Normanton
Boat House, Matlock
Bonnie Prince, Chellaston
Boythorpe Inn, Chesterfield
Bridge Inn, Cotmanhay
Bridge Inn, Calver
Britannia Inn, Kegworth
Bulls Head, Ilkeston
Bulls Head, Openwoodgate
Butchers Arms, Heanor
Butchers Arms, Oakerthorpe
Canal Inn, Bullbridge
Cat & Fiddle, Ilkeston
Cheshire Cheese, Buxton
Church Inn, Darley Dale
Cliff Inn, Crich
Coach & Horses, Loscoe
Cross Keys, Heanor
Crown & Arrows, Derby
Derwent Hotel, Whatstandwell
Devonshire Arms, Fairfield
Duke of Clarence, Derby
Duke of Wellington, Matlock
Farmyard Inn, Youlgreave
Foresters Arms, Scropton
French Horn, Codnor
Furnace Inn, Derby
Generous Briton, Ripley
George Hotel, Derby
George Hotel, Tideswell
George Inn, Lower Hartshay
Grouse Inn, Darley Dale
Hill Top Inn, Belper
Homesford Cottage,
Whatstandwell

Hop Flower, Inkersall

Jovial Dutchman, Crich
Laburnum Inn, Matlock
Live & Let Live, Ilkeston
Market Hotel, Heanor
Masons Arms, Brampton
Miners Arms, Ilkeston
Moulders Arms, Riddings
Mundy Arms, Marlpool
New Inn, Milford
New Inn, Riddings
Old Black Horse, Mapperley
Paddock, Derby
Pear Tree Inn, Ripley
Queens Head, Little Eaton
Racecourse Tavern, Chesterfield
Railway Hotel, Buxton
Railway Hotel, Matlock
Red Lion, Fritchley
Red Lion, Riddings
Robin Hood, Alferton
Rose & Crown, Barlborough
Royal Forester, Buxton
Royal Oak, Tansley
Royal Tiger, Somercotes
Seven Wells, Etwall
Silver Ghost, Alvaston
Sir John Warren, Ilkeston
Spinning Wheel, Chaddesden
Sun Inn, Derby
Three Horse Shoes, Ilkeston
Three Horse Shoes, Wessington
Three Stags Heads, Darley Bridge
Welbeck Inn, Chesterfield
Wheatsheaf Hotel, Tibshelf
White Hart, Bargate
White Swan, Bolsover
Woodman, Ripley
Yarn Spinner, Spondon

GREATER MANCHESTER

Courtneys, Manchester
John Gilbert, Worsley

LANCASHIRE

Inn on the Wharf, Burnley
Waterside Inn, Leigh

LEICESTERSHIRE

Britannia Inn, Shepshed
Broadway Hotel, Leicester
Counting House, Leicester
Crown & Cushion, Loughborough
Dew Drop, Hathern
Hat & Beaver, Leicester
Old Pack Horse, Loughborough
Ox Lea, Loughborough

LINCOLNSHIRE

Cherry Tree, Ingoldmells
Fleece Inn, Burgh-le-Marsh
Golden Lion, Boston
Jolly Scotchman, Sleaford
Lincolnshire Poacher, Louth
Lumley Hotel, Skegness
Manvers Arms, Lincoln
Peacock Inn, Lincoln
Plough Inn, Tetney
Ship Inn, Ingoldmells
Steamhammer Inn, Lincoln
White Bull, Coningsby
White Hart, Spilsby

NORTHAMPTONSHIRE

'Ock 'n' Dough, Wellingborough

NOTTINGHAMSHIRE

Angel Inn, Blyth
Badger Box, Kirkby-in-Ashfield
Beacon, Aspley
Beechdale, Bilborough
Beekeeper, Chilwell
Bell Inn, Nottingham
Black Swan, Mansfield
Boat Inn, Retford
Broad Oak, Strelley
Bromley Arms, Fiskerton
Carnarvon Arms, Tversal
Cocked Hat, Aspley

Pubs with substantial food offers are shown in bold

HARDYS & HANSONS ESTATE

(CONT.)

NOTTINGHAMSHIRE (CONT.)

Commercial Inn, Beeston
Corn Mill, Chilwell
 Cricketers Rest, Kimberley
 Cross Keys, Epperstone
 Cross Keys, Worksop
 Crown & Anchor, Mansfield
 Crown Inn, Beeston
 Crown Inn, Selston
Crusader, Clifton
Dog & Topper, Lenton
 Druids Tavern, Arnold
 Duke of Sussex, Fulwood
 Durham Ox, Brinsley
 Early Bird, Bilborough
 Flying Bedstead, Hucknall
 Foresters Arms, Newthorpe
 Fox & Hounds, Blidworth
 Gardeners Inn, Awsworth
 Gate Inn, Awsworth
 Gate Inn, Kimberley
 Gate Inn, Westwood
 Golden Guinea, Kimberley
Goose, Gamston
 Greasley Castle, Eastwood
Great Northern, Langley Mill
Griffin Inn, Plumtree
 Half Crown, Long Eaton
 Happy Man, Stapleford
 Hare & Hounds, Warsop
 Harrier, Hucknall
Harrington Arms, Sawley
Horse & Groom, Moorgreen
 Jug & Glass, Nether Langwith
King & Miller, Sutton-in-Ashfield
 Lady Bay, West Bridgford
 Langham Hotel, Nottingham
 Larks Nest, Nuthall
 Lion & Dragon, Long Eaton
 Lion Revived, Bulwell
 Lord Clyde, Kimberley
 Lord Nelson, Basford
 Lord Nelson, Sneinton
 Lord Raglan, Newthorpe
Lurcher, Rainworth

Magna Charta, Lowdham
Man in Space, Eastwood
 Man of Iron, Stapleford
Meadow Covert, Edwalton
 Moon & Stars, Eastwood
 Moot House, Bingham
 Nabb Inn, Hucknall
 Nags Head, Pleasley
 Nags Head, Woodborough
 Nags Head & Plough, Stapleford
 Nelson & Railway, Kimberley
 Nevile Arms, Kinoulton
 New Inn, Long Eaton
 New White Bull, Giltbrook
Nurseryman, Beeston
 Old Volunteer, Caythorpe
 Other Side of the Moon, Beeston
 Owd Boots, Nottingham
 Palmerston Arms, Eastwood
 Park Tavern, Cinderhill
 Peacock, Clifton
Plainsman, Mapperley
 Plough & Harrow, Hucknall
 Portland Arms, Nottingham
 Queen Adelaide, Kimberley
 Queens Head, Kimberley
 Queens Hotel, Long Eaton
 Ram Inn, Newthorpe
 Red Gate, Mansfield
 Red Lion, Bottesford
 Red Lion, Sandiacre
 Robin Hood, Brinsley
 Rose Grower, Beeston
 Royal Oak, Watnall
 Saracens Head, Nottingham
Sherwood Manor, Sherwood
 Sherwood Ranger, Ravenshead
 Sir Charles Napier, Langley Mill
Snipe, Sutton-in-Ashfield
Sun Inn, Eastwood
 Sun Inn, Pinxton
Test Match Hotel, West Bridgford
 Thorn Tree Inn, Woodlinkin
 Three Horse Shoes, Pinxton
Three Ponds, Nuthall
Tree Tops, Mapperley
 Victoria Inn, Long Eaton

Waggon & Horses, Brinsley
 Waggon & Horses, Kirkby-in-Ashfield
 Wellington Inn, Eastwood
Wheelhouse, Wollaton
White Hart, Lenton
 White Lion, Bramcote
 Wild Orchid, Kirkby-in-Ashfield
Windsor Castle, Carlton
 Wishing Well, Nottingham
Ye Olde Trip to Jerusalem, Nottingham
 Yew Tree Inn, Brinsley

STAFFORDSHIRE

Coopers Tavern, Burton on Trent
 Swan Hotel, Burton on Trent

WARWICKSHIRE

Farm House, Coventry

WEST MIDLANDS

Oldswinsford, Stourbridge
Wylde Green, Sutton Coldfield

YORKSHIRE

Albert Inn, Darnall
 Bull & Badger, Killamarsh
 Chartist, Skelmanthorpe
Chestnut Tree, Barnsley
Gypsy Queen, Beighton
 Hay Nook, Maltby
High Park, Huddersfield
Lord Darcy, Leeds
 Lord Nelson, Sheffield
 Nags Head, Loxley
 Old Hall Inn, Great Houghton
 Old Heavygate Inn, Sheffield
 Outpost, Barnsley
 Ring O'Bells, Silkstone
 Rose & Crown, Penistone
 Shepley Spitfire, Totley
 Ship Inn, Sheffield
 Sir Colin Campbell, Rotherham
 Springfield Tavern, Sheffield
 Travellers Rest, Brookhouse

Pubs with substantial food offers are shown in bold

Lancashire Yorkshire
Greater Manchester
Cheshire Derbyshire Nottinghamshire
Staffordshire
West Midlands Leicestershire
Warwickshire Northamptonshire

WHERE TO FIND US

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