

PAUL MURRAY PLC

Report and Accounts

31 December 2001



Registration number 1172728

PAUL MURRAY PLC

Directors' Report

The directors present their report and accounts for the year ended 31 December 2001.

Principal activities

The group's principal activity during the year was the manufacturing, wholesaling and packing of non-pharmaceutical products and surgical goods, and the distribution of cosmetics, fragrances and toiletries. On 29 June 2001 the net liabilities of Miner's International Limited, the company's subsidiary undertaking were hived up, whereupon Miner's International Limited ceased trading.

Results and dividends

The loss for the year, after taxation, amounted to £393,621. Ordinary dividends of £189,400 were paid in the year which leaves a loss of £583,021 to be retained.

Business review and future developments

Extensive and effective changes made towards the end of the year will prevent a repeat of the poor profitability this year. Factors within and outside the directors' control adversely affected performance.

Since the hive up referred to above, Paul Murray plc now incorporates Miners and operates as a single corporate entity. The health and beauty brands now offered will benefit from increased distribution through all health and beauty market channels. A stronger management team at both director and senior management level will ensure the implementation of planned strategic developments within the company.

Directors

The directors at the balance sheet date and their interests in the share capital of the company were as follows:

	£1 Ordinary shares	
	2001	2000
P T Murray	69,000	69,000
Mrs K J Murray	1,000	1,000
Mrs D A Murray	-	-
P D Vanstone	-	-
A Allen	-	-
A J Hastings	-	-

The remaining 30,000 shares are held by a trust, the Paul Travis Murray Settlement, the trustees of which are P T Murray and J A Poulter. Mr Poulter is a partner in Rothman Pantall & Co, the company's auditors.

Political and charitable donations

During the year, the group made various charitable contributions totalling £715 (2000 £11,098).

Creditor payment policy

It is the company's policy whenever possible to pay suppliers at the end of the month following the invoice date, except in the case of some overseas suppliers whom the company may pay in advance. At 31 December 2001 the company's creditor days stood at 59 (2000 47 days). The company's subsidiary undertaking adopted a similar policy until it ceased trading on 29 June 2001.

PAUL MURRAY PLC
Directors' Report

The introduction of the euro

The directors have considered the risks and uncertainties associated with the introduction of the euro. It is intended that the group should continue to invoice customers in sterling, and therefore the directors are of the opinion that costs relating to the introduction of the euro will not be significant at the present time.

Auditors

A resolution to reappoint Rothman Pantall & Co as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 18 April 2002.

A handwritten signature in black ink, consisting of a stylized 'P' and 'M' followed by a long horizontal stroke.

P T Murray
Director

PAUL MURRAY PLC

Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the group, and of the group's profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for maintaining 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 accounts 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.

PAUL MURRAY PLC

Independent auditors' report to the shareholders of PAUL MURRAY PLC

We have audited the accounts of Paul Murray plc for the year ended 31 December 2001 which comprise pages 5 to 21. These accounts 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 the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 accounts, if the company or the group 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 group 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's and the group's affairs as at 31 December 2001 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Rothman Pantall & Co
Chartered Accountants and Registered Auditors

18 April 2002

10 Oxford Street
Southampton
Hampshire
SO14 3DJ

PAUL MURRAY PLC
Consolidated Profit and Loss Account
for the year ended 31 December 2001

	Notes	2001 £	2000 £
Turnover	2	9,018,150	10,140,419
Cost of sales		(6,174,704)	(7,171,393)
Gross profit		<u>2,843,446</u>	<u>2,969,026</u>
Distribution costs		(1,749,407)	(1,837,746)
Administrative expenses		(1,244,867)	(1,500,580)
Other operating income		-	6,000
Operating loss	3	<u>(150,828)</u>	<u>(363,300)</u>
Interest receivable		691	-
Interest payable	6	(233,382)	(239,918)
Loss on ordinary activities before taxation		<u>(383,519)</u>	<u>(603,218)</u>
Taxation on ordinary activities	7	(10,102)	24,196
Loss on ordinary activities after taxation		<u>(393,621)</u>	<u>(579,022)</u>
Dividends:			
ordinary dividend on equity shares	9	(189,400)	(108,500)
Retained loss for the year	21	<u>(583,021)</u>	<u>(687,522)</u>

Continuing operations

None of the group's activities were discontinued during the above two financial years.

Statement of total recognised gains and losses

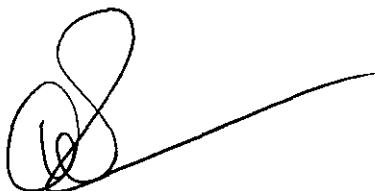
The company has no recognised gains or losses other than the loss for the above two financial years.

PAUL MURRAY PLC
Consolidated Balance Sheet
as at 31 December 2001

	Notes	2001 £	2000 £
Fixed assets			
Intangible fixed assets	10	294,138	311,440
Tangible assets	11	<u>1,857,206</u>	<u>1,996,083</u>
		2,151,344	2,307,523
Current assets			
Stocks	13	3,202,495	3,155,610
Debtors	14	1,191,220	1,937,462
Cash at bank and in hand		<u>1,167</u>	<u>994</u>
		4,394,882	5,094,066
Creditors: amounts falling due within one year	15	(3,360,129)	(3,466,849)
Net current assets		<u>1,034,753</u>	<u>1,627,217</u>
Total assets less current liabilities		<u>3,186,097</u>	<u>3,934,740</u>
Creditors: amounts falling due after more than one year	16	(1,054,331)	(1,219,953)
		<u>2,131,766</u>	<u>2,714,787</u>
Capital and reserves			
Called up share capital	19	100,000	100,000
Revaluation reserve	20	755,965	755,965
Profit and loss account	21	1,275,801	1,858,822
Shareholders' funds	22	<u>2,131,766</u>	<u>2,714,787</u>

P T Murray
Director

Approved by the board on 18 April 2002

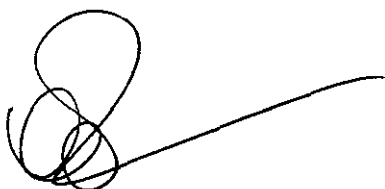


PAUL MURRAY PLC
Balance Sheet
as at 31 December 2001

	Notes	2001 £	2000 £
Fixed assets			
Intangible fixed assets	10	303,234	-
Tangible assets	11	1,857,206	1,662,087
Investments	12	11,000	236,624
		<u>2,171,440</u>	<u>1,898,711</u>
Current assets			
Stocks	13	3,202,495	2,417,775
Debtors	14	1,191,220	1,828,675
Cash at bank and in hand		1,167	710
		<u>4,394,882</u>	<u>4,247,160</u>
Creditors: amounts falling due within one year	15	(3,371,129)	(2,006,792)
Net current assets		<u>1,023,753</u>	<u>2,240,368</u>
Total assets less current liabilities		<u>3,195,193</u>	<u>4,139,079</u>
Creditors: amounts falling due after more than one year	16	(1,054,331)	(1,219,953)
		<u>2,140,862</u>	<u>2,919,126</u>
Capital and reserves			
Called up share capital	19	100,000	100,000
Revaluation reserve	20	755,965	755,965
Profit and loss account	21	1,284,897	2,063,161
Shareholders' funds	22	<u>2,140,862</u>	<u>2,919,126</u>

P T Murray
Director

Approved by the board on 18 April 2002



PAUL MURRAY PLC
Consolidated Cash Flow Statement
for the year ended 31 December 2001

	Notes	2001 £	2000 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating loss		(150,828)	(363,300)
Depreciation		437,161	444,209
Amortisation of goodwill		17,302	17,302
Loss on disposal of fixed assets		1,998	25,181
Increase in stocks		(46,885)	(184,512)
Decrease in debtors		746,242	129,501
(Decrease)/increase in creditors		(403,116)	388,547
Net cash inflow from operating activities		<u>601,874</u>	<u>456,928</u>
CASH FLOW STATEMENT			
Net cash inflow from operating activities		601,874	456,928
Returns on investments and servicing of finance	23	(232,691)	(239,918)
Taxation		(10,102)	(57,660)
Capital expenditure	23	<u>(300,282)</u>	<u>(382,281)</u>
		58,799	(222,931)
Equity dividends paid		<u>(189,400)</u>	<u>(108,500)</u>
		(130,601)	(331,431)
Financing	23	(177,361)	(178,321)
Decrease in cash		<u>(307,962)</u>	<u>(509,752)</u>
Reconciliation of net cash flow to movement in net debt			
Decrease in cash in the period		(307,962)	(509,752)
Decrease in debt and lease financing		177,361	178,321
Change in net debt	24	<u>(130,601)</u>	<u>(331,431)</u>
Net debt at 1 January 2001		<u>(2,874,382)</u>	<u>(2,542,951)</u>
Net debt at 31 December 2001		<u>(3,004,983)</u>	<u>(2,874,382)</u>

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

Basis of consolidation

The group accounts consolidate the accounts of the company and its subsidiary undertaking for the year ended 31 December 2001.

Goodwill

Goodwill on acquisitions, being the excess of purchase price over the fair value of net assets acquired, is capitalised and amortised over its useful economic life of 20 years, on a straight line basis.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings	over 50 years
Display stands	over 3 years
Motor vehicles	25% reducing balance
Computers	25% straight line
Other plant and machinery	25% reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

No deferred taxation has been provided because the directors have concluded, on the basis of reasonable assumptions and the intentions of management, that it is improbable that any such liability will crystallise.

Foreign currencies

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

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the group, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

Pensions

The company operates two defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

Turnover represents the invoiced value of goods and services supplied by the group, net of value added tax and trade discounts. Sales within the group are excluded.

	2001 £	2000 £
Turnover is attributable to the following geographical markets:		
UK	8,028,882	9,218,711
Europe	922,117	729,938
Asia	40,385	148,742
Other	26,766	43,028
	<u>9,018,150</u>	<u>10,140,419</u>

3 Operating profit

	2001 £	2000 £
This is stated after charging:		
Depreciation of owned fixed assets	430,869	431,320
Depreciation of assets held under finance leases and hire purchase contracts	6,292	12,889
Amortisation of goodwill	17,302	17,302
Operating lease rentals - plant and machinery	128,999	125,665
Operating lease rentals - land and buildings	50,575	54,923
Finance charges payable under finance leases and hire purchase contracts	2,291	2,732
Auditors' remuneration, of which company was £11,000 (2000 £10,500)	15,500	21,000
Non-audit remuneration relating to the auditors	<u>22,614</u>	<u>9,814</u>

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

4 Directors' emoluments	2001	2000
	£	£
Emoluments	373,264	518,562
Company contributions to money purchase pension schemes	9,981	9,282
	<u>383,245</u>	<u>527,844</u>
 Highest paid director:		
Emoluments	103,972	193,489
Company contributions to money purchase pension schemes	4,000	5,000
	<u>107,972</u>	<u>198,489</u>
 Number of directors in company pension schemes:	2001	2000
	Number	Number
Money purchase schemes	<u>6</u>	<u>6</u>
 5 Staff costs	2001	2000
	£	£
Wages and salaries	1,840,938	2,031,344
Social security costs	172,630	194,894
Other pension costs	11,827	10,660
	<u>2,025,395</u>	<u>2,236,898</u>
 Average number of employees during the year		
Administration	44	56
Operations	65	74
	<u>109</u>	<u>130</u>
 6 Interest payable	2001	2000
	£	£
Bank loans and overdrafts	214,730	223,130
Other loans	18,652	16,788
	<u>233,382</u>	<u>239,918</u>

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

7 Tax on profit on ordinary activities	2001	2000
	£	£
UK corporation tax refund due	-	(22,384)
Adjustments recognised in respect of prior periods	10,102	(1,812)
	<u>10,102</u>	<u>(24,196)</u>

8 Loss dealt with in the accounts of the company

The loss for the financial year dealt with in the accounts of the company is £778,264 (2000 £326,328). As permitted by section 230 of the Companies Act 1985, the profit and loss account of the company is not presented.

9 Equity dividends	2001	2000
	£	£
Equity dividends on ordinary shares - interim paid	<u>189,400</u>	<u>108,500</u>

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

10 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 January 2001	346,044
At 31 December 2001	<u>346,044</u>
Amortisation	
At 1 January 2001	34,604
Provided during the year	<u>17,302</u>
At 31 December 2001	<u>51,906</u>
Net book value	
At 31 December 2001	<u>294,138</u>
At 31 December 2000	<u>311,440</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.

Company	Goodwill £
Cost	
Additions	<u>311,009</u>
At 31 December 2001	<u>311,009</u>
Amortisation	
Provided during the year	<u>7,775</u>
At 31 December 2001	<u>7,775</u>
Net book value	
At 31 December 2001	<u>303,234</u>
At 31 December 2000	<u>-</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

11 Tangible fixed assets

Group	Freehold land and buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2001	1,396,175	1,499,116	2,895,291
Additions	-	311,732	311,732
Disposals	-	(340,886)	(340,886)
At 31 December 2001	<u>1,396,175</u>	<u>1,469,962</u>	<u>2,866,137</u>
Depreciation			
At 1 January 2001	46,520	852,688	899,208
Charge for the year	23,424	413,737	437,161
On disposals	-	(327,438)	(327,438)
At 31 December 2001	<u>69,944</u>	<u>938,987</u>	<u>1,008,931</u>
Net book value			
At 31 December 2001	<u>1,326,231</u>	<u>530,975</u>	<u>1,857,206</u>
At 31 December 2000	<u>1,349,655</u>	<u>646,428</u>	<u>1,996,083</u>

Freehold land and buildings were revalued at 31 December 1998 based on a valuation carried out by the directors. The transitional provisions of Financial Reporting Standard 15 are being followed and this valuation has not therefore been updated.

Freehold land at valuation included above not depreciated	<u>225,000</u>
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Freehold land and buildings:	2001	2000
	£	£
Historical cost	<u>891,860</u>	<u>891,860</u>
Cumulative depreciation based on historical cost	<u>252,685</u>	<u>235,848</u>

	2001	2000
	£	£
Net book value of plant and machinery included above held under finance leases and hire purchase contracts	<u>18,875</u>	<u>28,167</u>

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

Company	Freehold land and buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 January 2001	1,396,175	1,141,559	2,537,734
Additions	-	559,093	559,093
Disposals	-	(340,886)	(340,886)
At 31 December 2001	<u>1,396,175</u>	<u>1,359,766</u>	<u>2,755,941</u>
Depreciation			
At 1 January 2001	46,520	829,127	875,647
Charge for the year	23,424	327,102	350,526
On disposals	-	(327,438)	(327,438)
At 31 December 2001	<u>69,944</u>	<u>828,791</u>	<u>898,735</u>
Net book value			
At 31 December 2001	<u>1,326,231</u>	<u>530,975</u>	<u>1,857,206</u>
At 31 December 2000	<u>1,349,655</u>	<u>312,432</u>	<u>1,662,087</u>

Freehold land and buildings were revalued at 31 December 1998 based on a valuation carried out by the directors. The transitional provisions of Financial Reporting Standard 15 are being followed and this valuation has not therefore been updated.

Freehold land at valuation included above not depreciated	<u>225,000</u>
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Freehold land and buildings:	2001 £	2000 £
Historical cost	<u>891,860</u>	<u>891,860</u>
Cumulative depreciation based on historical cost	<u>252,685</u>	<u>235,848</u>

	2001 £	2000 £
Net book value of plant and machinery included above held under finance leases and hire purchase contracts	<u>18,875</u>	<u>25,167</u>

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

12 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 January 2001	236,624
Written off	(225,624)
	<hr/>
At 31 December 2001	11,000

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

Company	Country of registration or incorporation	Shares held Class	%
Miner's International Limited	England and Wales	Ordinary	100

The principal activity of Miner's International Limited during the year was the distribution of cosmetics, fragrances and toiletries, until 29 June 2001 when it ceased trading. Miner's International Limited is included in the group accounts.

13 Stocks

	2001 £	Group 2000 £	2001 £	Company 2000 £
Finished goods and goods for resale	<u>3,202,495</u>	<u>3,155,610</u>	<u>3,202,495</u>	<u>2,417,775</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

14 Debtors

	2001 £	Group 2000 £	2001 £	Company 2000 £
Trade debtors	1,087,183	1,839,182	1,087,183	1,129,379
Amounts owed by group undertakings	-	-	-	617,024
Other debtors	12,973	22,384	12,973	22,384
Prepayments and accrued income	91,064	75,896	91,064	59,888
	<u>1,191,220</u>	<u>1,937,462</u>	<u>1,191,220</u>	<u>1,828,675</u>

PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

15 Creditors: amounts falling due within one year

	2001	Group	2001	Company
	£	2000	£	2000
		£		£
Bank loans and overdrafts	2,142,329	1,834,194	2,142,329	916,541
Obligations under finance lease and hire purchase contracts	4,490	16,229	4,490	13,469
Trade creditors	858,594	1,210,711	858,594	656,773
Amounts owed to group undertakings	-	-	11,000	49,502
Other taxes and social security costs	84,525	183,341	84,525	169,571
Other creditors	62,778	73,118	62,778	73,118
Accruals and deferred income	207,413	149,256	207,413	127,818
	<u>3,360,129</u>	<u>3,466,849</u>	<u>3,371,129</u>	<u>2,006,792</u>

Bank loans and overdrafts are secured on the company's freehold land and buildings and its subsidiary undertaking's assets generally.

16 Creditors: amounts falling due after more than one year

	2001	Group	2001	Company
	£	2000	£	2000
		£		£
Bank loans and overdrafts	859,331	1,020,463	859,331	1,020,463
Obligations under finance lease and hire purchase contracts	-	4,490	-	4,490
Other creditors	195,000	195,000	195,000	195,000
	<u>1,054,331</u>	<u>1,219,953</u>	<u>1,054,331</u>	<u>1,219,953</u>

Bank loans and overdrafts are secured on the company's freehold land and buildings.

17 Borrowings

	2001	Group	2001	Company
	£	2000	£	2000
		£		£
Analysis of maturity of debt:				
Within one year or on demand	2,142,329	916,541	2,142,329	916,541
Between one and two years	161,132	161,132	161,132	161,132
Between two and five years	498,396	578,396	498,396	578,396
After five years	394,803	475,935	394,803	475,935
	<u>3,196,660</u>	<u>2,132,004</u>	<u>3,196,660</u>	<u>2,132,004</u>

Amounts repayable by instalments any of which fall for payment after five years

	<u>800,463</u>	<u>881,595</u>	<u>800,463</u>	<u>881,595</u>
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PAUL MURRAY PLC
Notes to the Accounts
for the year ended 31 December 2001

18 Obligations under finance leases and hire purchase contracts

	2001	Group	2001	Company
	£	2000	£	2000
		£		£
Amounts payable:				
Within one year	4,490	16,229	4,490	13,469
Within two to five years	-	4,490	-	4,490
	<u>4,490</u>	<u>20,719</u>	<u>4,490</u>	<u>17,959</u>

19 Share capital

			2001	2000
			£	£
Authorised:				
Ordinary shares of £1 each			<u>100,000</u>	<u>100,000</u>
	2001	2000	2001	2000
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

20 Revaluation reserve

	2001	Group	2001	Company
	£	2000	£	2000
		£		£
At 1 January 2001	755,965	755,965	755,965	755,965
At 31 December 2001	<u>755,965</u>	<u>755,965</u>	<u>755,965</u>	<u>755,965</u>

21 Profit and loss account

	2001	Group	2001	Company
	£	2000	£	2000
		£		£
At 1 January 2001	1,858,822	2,546,344	2,063,161	2,497,989
Retained loss	(583,021)	(687,522)	(778,264)	(434,828)
At 31 December 2001	<u>1,275,801</u>	<u>1,858,822</u>	<u>1,284,897</u>	<u>2,063,161</u>

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22 Reconciliation of movements in shareholders' funds

	2001 £	Group 2000 £	2001 £	Company 2000 £
At 1 January 2001	2,714,787	3,402,309	2,919,126	3,353,954
Loss for the financial year	(393,621)	(579,022)	(588,864)	(326,328)
Dividends	(189,400)	(108,500)	(189,400)	(108,500)
At 31 December 2001	<u>2,131,766</u>	<u>2,714,787</u>	<u>2,140,862</u>	<u>2,919,126</u>

23 Gross cash flows

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest received	691	-
Interest paid	(233,382)	(239,918)
	<u>(232,691)</u>	<u>(239,918)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	(311,732)	(429,349)
Receipts from sales of tangible fixed assets	11,450	47,068
	<u>(300,282)</u>	<u>(382,281)</u>
Financing		
New loans raised		45,000
Loan repayments	(161,132)	(206,132)
Capital element of finance lease rental payments	(16,229)	(17,189)
	<u>(177,361)</u>	<u>(178,321)</u>

24 Analysis of changes in net debt

	At 1 Jan 2001 £	Cash flows £	Non-cash changes £	At 31 Dec 2001 £
Cash at bank and in hand	994	173		1,167
Overdrafts	(1,673,062)	(308,135)		(1,981,197)
		<u>(307,962)</u>		
Debt due within 1 year	(161,132)	-		(161,132)
Debt due after 1 year	(1,020,463)	161,132		(859,331)
Finance leases	(20,719)	16,229		(4,490)
		<u>177,361</u>		
Total	<u>(2,874,382)</u>	<u>(130,601)</u>	<u>-</u>	<u>(3,004,983)</u>

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25 Other financial commitments

At the year end the company and its subsidiary undertaking had annual commitments under non-cancellable operating leases as set out below:

Group	Land and buildings 2001 £	Land and buildings 2000 £	Other 2001 £	Other 2000 £
Operating leases which expire:				
within one year	24,250	-	15,517	12,043
within two to five years	-	24,250	94,995	108,837
in over five years	26,325	26,325	-	-
	<u>50,575</u>	<u>50,575</u>	<u>110,512</u>	<u>120,880</u>

Company	Land and buildings 2001 £	Land and buildings 2000 £	Other 2001 £	Other 2000 £
Operating leases which expire:				
within one year	24,250	-	15,517	2,894
within two to five years	-	24,250	94,995	98,177
in over five years	26,325	26,325	-	-
	<u>50,575</u>	<u>50,575</u>	<u>110,512</u>	<u>101,071</u>

26 Contingent liabilities

The group had outstanding liabilities under documentary credits of £10,375 at 31 December 2001 (2000 £247,934). The company had outstanding liabilities under documentary credits of £10,375 at 31 December 2001 (2000 £156,685).

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27 Related parties

The company is controlled by P T Murray, a major shareholder and the chairman of the company.

Amounts due from related parties	2001	Group	2001	Company
	2000	2000	2001	2000
	£	£	£	£
Miner's International Limited	-	-	-	617,024

Amounts due to related parties	2001	Group	2001	Company
	2000	2000	2001	2000
	£	£	£	£
Miner's International Limited	-	-	11,000	49,502
The Murray Pension Scheme	195,000	195,000	195,000	195,000
Directors' current account	43,528	47,625	43,528	47,625
	<u>238,528</u>	<u>242,625</u>	<u>249,528</u>	<u>292,127</u>

Transactions with related parties	2001	2000
	£	£
Interest payable:		
The Murray Pension Scheme	16,161	14,200
Directors' current account - Mrs D A Murray	2,491	2,588
	<u>18,652</u>	<u>16,788</u>