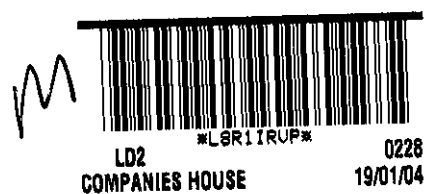


WASSEN HOLDINGS LIMITED

(formerly Entrymatch Limited)

Report and Financial Statements

Period from 15 August 2002 to 30 June 2003



REPORT AND FINANCIAL STATEMENTS 2003

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REPORT AND FINANCIAL STATEMENTS 2003**OFFICERS AND PROFESSIONAL ADVISERS****DIRECTORS**

Instant Companies Limited	(resigned 3 December 2002)
G L Barnes	(appointed 23 December 2002)
M Barber	(appointed 3 December 2002)
P A J Tunnell	(appointed 3 December 2002)
J E Smithurst	(appointed 3 December 2002)
R M Cawse	(appointed 3 December 2002)
R Ricatti	(appointed 4 September 2003)

SECRETARY

Swift Incorporations Limited	(resigned 3 December 2002)
J E Smithurst	(appointed 3 December 2002)

REGISTERED OFFICE

14 The Mole Business Park
Leatherhead
Surrey
KT22 7BA

SOLICITORS

S J Berwin
222 Gray's Inn
London
WC1X 8XF

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
Reading

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period from 15 August 2002 to 30 June 2003.

PRINCIPAL ACTIVITY

The company acts as a holding company. The principal activity of the group is that of the production and marketing of nutritional supplements.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The company was incorporated on 15 August 2002. On 25 November 2002 the company changed its name from Entrymatch Limited to Wassen Holdings Limited. On 23 December 2002, the company purchased the entire ordinary share capital of Wassen International Limited, a company engaged in the production and marketing of nutritional supplements.

The company did not trade during the year. It is not expected that the company will trade in the foreseeable future.

DIVIDENDS

The directors propose the payment of a dividend of £105,965 on the preference shares.

DIRECTORS

The directors who served during the period are noted on page 1. Directors' interests in the ordinary share capital of the company were:

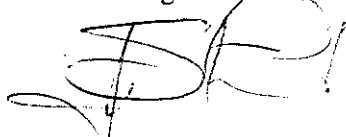
	Ordinary shares of £0.10 each	
	At 30 June	At 15 August
	2003 No.	2002* No.
M Barber	651,240	-
R Cawse	68,513	-
J Smithurst	68,513	-
P Tunnell	27,405	-

* or date of appointment if later

AUDITORS

Deloitte & Touche LLP have been appointed as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



J E Smithurst

Secretary

9 January 2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WASSSEN HOLDINGS LIMITED (formerly Entrymatch Limited)

We have audited the financial statements of Wassen Holdings Limited for the period from incorporation to 30 June 2003 which comprise the consolidated profit and loss account, the reconciliation of movement in consolidated shareholders' funds, the statement of movement on reserves, the consolidated balance sheet, the balance sheet, the consolidated cash flow statement, the notes to the consolidated cashflow statement and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

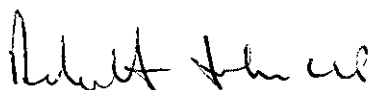
Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the group's and company's affairs as at 30 June 2003 and of the profit of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE LLP
Chartered Accountants and Registered Auditors
Reading

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Period from 15 August 2002 to 30 June 2003

	Note	2003 £
TURNOVER	2	3,758,716
Cost of sales		<u>(1,160,735)</u>
GROSS PROFIT		2,597,981
Administrative expenses		(951,000)
Distribution costs		<u>(1,337,339)</u>
OPERATING PROFIT	3	309,642
Interest receivable and similar income	5	9,543
Interest payable and similar charges	6	<u>(51,695)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		267,490
Tax on profit on ordinary activities	7	<u>(114,025)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		153,465
Dividends – on non-equity shares	8	<u>(105,965)</u>
RETAINED PROFIT FOR THE PERIOD		<u><u>47,500</u></u>

All operations were acquired during the period.

There are no recognised gains or losses for the period other than as stated above and accordingly no statement of total recognised gains and losses has been produced.

RECONCILIATION OF MOVEMENT IN CONSOLIDATED SHAREHOLDERS' FUNDS

Period from 15 August 2002 to 30 June 2003

	2003 £
Profit for the financial period	153,465
Dividends	(105,965)
	<hr/>
Issue of shares	47,500
	5,218,481
	<hr/>
Net addition to shareholders' funds	5,265,981
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	5,265,981
	<hr/> <hr/>

STATEMENT OF MOVEMENTS ON RESERVES
Period from 15 August 2002 to 30 June 2003

Group	Share premium account £	Profit and loss account £	Total £
Balance at 15 August 2002	-	-	-
Retained profit for the period	-	47,500	47,500
Shares issued	985,249	-	985,249
Expenses relating to share issue	(161,796)	-	(161,796)
Balance at 30 June 2003	823,453	47,500	870,953

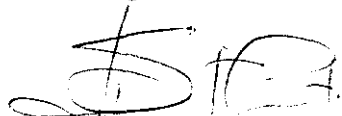
Company			
Balance at 15 August 2002	-	-	-
Retained profit for the period	-	-	-
Shares issued	985,249	-	985,249
Expenses relating to share issue	(161,796)	-	(161,796)
Balance at 30 June 2003	823,453	-	823,453

CONSOLIDATED BALANCE SHEET
30 June 2003

	Note	2003 £
FIXED ASSETS		
Intangible assets	10	4,013,266
Tangible assets	12	101,522
CURRENT ASSETS		4,114,788
Stocks	13	1,076,849
Debtors	14	1,923,373
Cash at bank and in hand		870,255
		3,870,477
CREDITORS: amounts falling due within one year	15	(1,921,794)
NET CURRENT ASSETS		1,948,683
TOTAL ASSETS LESS CURRENT LIABILITIES		6,063,471
CREDITORS: amounts falling due after more than one year	16	(752,483)
PROVISIONS FOR LIABILITIES AND CHARGES	17	(45,007)
NET ASSETS		5,265,981
CAPITAL AND RESERVES		
Called up share capital	18	4,395,028
Share premium account		823,453
Profit and loss account		47,500
SHAREHOLDERS' FUNDS		5,265,981
Attributable to equity shareholders		1,027,395
Attributable to non-equity shareholders		4,238,586

These financial statements were approved by the Board of Directors on 9 January 2004.

Signed on behalf of the Board of Directors



J E Smithurst
Director



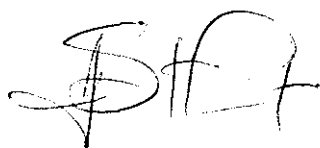
M Barber
Director

BALANCE SHEET
30 June 2003

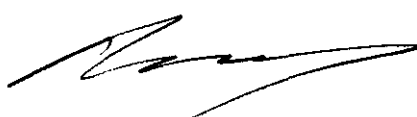
	Note	2003 £
FIXED ASSETS		
Investments	11	<u>6,326,062</u>
CREDITORS: amounts falling due within one year	15	<u>(466,209)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,859,853</u>
CREDITORS: amounts falling due after more than one year	16	<u>(641,372)</u>
NET ASSETS		<u><u>5,218,481</u></u>
CAPITAL AND RESERVES		
Called up share capital	18	4,395,028
Share premium account		<u>823,453</u>
SHAREHOLDERS' FUNDS		<u><u>5,218,481</u></u>
Attributable to equity shareholders		979,895
Attributable to non-equity shareholders		<u><u>4,238,586</u></u>

These financial statements were approved by the Board of Directors on 9 January 2004.

Signed on behalf of the Board of Directors



J E Smithurst
Director



M Barber
Director

CONSOLIDATED CASH FLOW STATEMENT
Period from 15 August 2002 to 30 June 2003

	Note	Period from 15 August 2002 to 30 June 2003 £
Net cash inflow from operating activities	1	408,139
Returns on investments and servicing of finance		
Interest received		9,543
Interest paid		(38,117)
		<u>(28,574)</u>
Taxation		
Corporation tax paid		(230,038)
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets		(9,232)
Payments to acquire intangible fixed assets		(2,070)
		<u>(11,302)</u>
Acquisitions and disposals		
Purchase of subsidiary undertaking	19	(1,107,581)
Net cash acquired with subsidiary	19	1,144,530
		<u>36,949</u>
Net cash inflow before financing		175,174
Financing		
New borrowings		850,637
Repayment of borrowings		(155,556)
		<u>695,081</u>
Increase in cash	2,3	<u><u>870,255</u></u>

NOTES TO THE CONSOLIDATED CASHFLOW STATEMENT

Period from 15 August 2002 to 30 June 2003

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

	2003 £
Operating profit	309,642
Depreciation charge	20,615
Amortisation of intangible fixed assets	115,346
Increase in stocks	(78,404)
Decrease in debtors	100,555
Decrease in creditors	(59,515)
Net cash inflow from operating activities	<u>408,139</u>

2. RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET DEBT

	2003 £
Increase in cash	870,255
Cash inflow from increase in debt	<u>(695,081)</u>
Movement in net debt resulting from cashflows	175,174
Loan acquired with subsidiary	(277,778)
Amortisation of financing expenses	(13,578)
Net debt at beginning of period	<u>-</u>
Net debt at end of period	<u>(116,182)</u>

3. ANALYSIS OF NET DEBT

	At beginning of period £	Cash flows £	Loan acquired with subsidiary £	Other non-cash flow changes £	At end of period £
Cash in hand, at bank	-	870,255	-	-	870,255
Debt due within one year	-	(53,709)	(111,111)	(69,134)	(233,954)
Debt due after one year	-	(641,372)	(166,667)	55,556	(752,483)
		<u>(695,081)</u>			
	<u>-</u>	<u>175,174</u>	<u>(277,778)</u>	<u>(13,578)</u>	<u>(116,182)</u>

The net non-cash flow movement of £13,578 relates to the amortisation of deferred loan costs.

NOTES TO THE ACCOUNTS**Period from 15 August 2002 to 30 June 2003****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Basis of preparation of financial statements

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary.

Investments held as fixed assets

Investments held as fixed assets are stated at cost less provision for any impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	25% per annum
Plant & machinery	Between 8.25% and 33.3% per annum

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Operating leases

Rental costs under operating leases are charged to the profit and loss account in the period to which they relate.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Cost is based on the first in – first out method.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise when the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred taxation is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

NOTES TO THE ACCOUNTS

Period from 15 August 2002 to 30 June 2003

1. ACCOUNTING POLICIES (continued)

Intangible fixed assets

Patents and trademarks are written off over 10 years on a straight line basis, being the directors' estimate of their useful economic lives.

Goodwill arising on consolidation is capitalised and amortised over its estimated useful economic life of 20 years.

2. TURNOVER

Turnover represents amounts derived from the provision of goods and which fall within the company's ordinary activities after deduction of trade discounts and Value Added Tax. The turnover and pre-tax profit, is attributable to one activity.

	2003 £
United Kingdom	1,676,191
Europe	1,826,665
Rest of World	255,860
	<u>3,758,716</u>

3. OPERATING PROFIT

	2003 £
Operating profit is after charging:	
Amortisation of intangible assets	115,346
Depreciation of tangible fixed assets - owned	20,615
Hire of plant and machinery	1,226
Other operating leases	63,507
Auditors' remuneration: audit fees	8,850
non-audit fees	2,250
	<u>249,003</u>

In addition to the above fees, Deloitte & Touche LLP have received fees of £100,000 in connection with Wassen International Limited and the raising of finance. These costs have been set off against the share premium account and the bank loan as appropriate.

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2003 £
Directors' remuneration	
Emoluments	229,091
Pension contributions	11,162
Consideration paid to third parties	8,750
	<u>249,003</u>

NOTES TO THE ACCOUNTS
Period from 15 August 2002 to 30 June 2003
4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

	2003 £
Highest paid director	
Emoluments	113,079
Pension contributions	9,479
	<u>122,558</u>
Number of directors who:	No.
Are members of money purchase pension plans	<u>2</u>
Average number of persons employed	No.
Production	7
Office and management	17
	<u>24</u>
	£
Staff costs during the period (including directors)	
Wages and salaries	559,143
Social security costs	54,514
Pension costs	49,974
	<u>663,631</u>

5. INTEREST RECEIVABLE

	2003 £
Bank interest receivable	<u>9,543</u>

6. INTEREST PAYABLE

	2003 £
On bank loans	38,117
Amortisation of deferred loan costs	13,578
	<u>51,695</u>

NOTES TO THE ACCOUNTS

Period from 15 August 2002 to 30 June 2003

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2003 £
United Kingdom corporation tax at 30% based on the profit for the period	119,411
Deferred taxation: timing differences	(5,386)
	<u>114,025</u>

The differences between the current tax rate for the year and the standard rate of tax are as follows:

	2003 %
Standard rate of tax	30
Factors affecting charge:	
Goodwill amortisation not deductible for tax purposes	11
Other expenses not deductible for tax purposes	2
Depreciation in excess of capital allowances	2
	<u>45</u>
Current tax rate for the period	<u>45</u>

8. DIVIDENDS

	2003 £
Preference dividend proposed	<u>105,965</u>

9. PROFIT FOR THE FINANCIAL PERIOD

As permitted by Section 230 of the Companies Act 1985, the company's profit and loss account has not been presented in these financial statements. The company's result for the financial period amounted to a profit after taxation of £105,965.

NOTES TO THE ACCOUNTS
Period from 15 August 2002 to 30 June 2003
10. INTANGIBLE FIXED ASSETS

The Group	Patents and Trademarks £	Goodwill £	Total £
Cost			
Acquired with subsidiary	379,208	-	379,208
Additions	2,070	3,990,570	3,992,640
At 30 June 2003	381,278	3,990,570	4,371,848
Amortisation			
Acquired with subsidiary	243,236	-	243,236
Charge for the period	15,582	99,764	115,346
At 30 June 2003	258,818	99,764	358,582
Net book value			
At 30 June 2003	122,460	3,890,806	4,013,266

11. FIXED ASSET INVESTMENTS

The Company	Shares in group undertakings £
Cost and net book value	
At 15 August 2002 and 30 June 2003	6,326,062

The holdings in the following companies comprise the fixed asset investments balance:

Name of subsidiary	Country of incorporation	Ordinary shares held	Principal activity
Wassen International Limited	United Kingdom	100%	Nutritional supplement manufacturer
Wassen GmbH*	Germany	100%	Dormant
Bee Pollen From England Limited*	United Kingdom	99%	Dormant

* These company are indirect subsidiaries of Wassen Holdings Limited

NOTES TO THE ACCOUNTS
Period from 15 August 2002 to 30 June 2003
12. TANGIBLE FIXED ASSETS
The Group

	Plant and machinery £
Cost	
Acquired with subsidiary	445,830
Additions	9,232
	<hr/>
At 30 June 2003	455,062
	<hr/>
Accumulated depreciation	
Acquired with subsidiary	332,925
Charge for the period	20,615
	<hr/>
At 30 June 2003	353,540
	<hr/>
Net book value	
At 30 June 2003	101,522
	<hr/> <hr/>

13. STOCKS

	Group 2003 £	Company 2003 £
Raw materials and consumables	536,993	-
Finished goods and goods for resale	539,856	-
	<hr/>	<hr/>
	1,076,849	-
	<hr/> <hr/>	<hr/> <hr/>

14. DEBTORS

	Group 2003 £	Company 2003 £
Trade debtors	1,788,358	-
Other debtors	79,533	-
Prepayments and accrued income	55,482	-
	<hr/>	<hr/>
	1,923,373	-
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE ACCOUNTS

Period from 15 August 2002 to 30 June 2003

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2003 £	Company 2003 £
Bank loans (note 16)	233,954	122,843
Trade creditors	638,535	-
Amounts owed to subsidiary undertakings	-	237,210
Dividend proposed	105,965	105,965
Current corporation tax	243,234	-
Other taxes and social security	30,160	-
Other creditors	10,546	191
Accruals and deferred income	659,400	-
	<u>1,921,794</u>	<u>466,209</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2003 £	Company 2003 £
Bank loans	<u>752,483</u>	<u>641,372</u>
Maturity profile of financial liabilities:		
	Group 2003 £	Company 2003 £
Bank loans (note 16a)		
Within one year	261,111	150,000
Between one and two years	311,111	200,000
Between two and five years	550,000	550,000
	<u>1,122,222</u>	<u>900,000</u>
Less: unamortised finance costs	<u>(135,785)</u>	<u>(135,785)</u>
	<u>986,437</u>	<u>764,215</u>

16a. Bank loans

The Group

The loans are repayable in quarterly instalments and are secured by fixed and floating charges over the assets of the group. One is interest bearing at a rate of 2.5% above the bank's base rate, and the other is interest bearing at a rate of LIBOR +2%.

The Company

The loan, which is repayable in quarterly instalments, is interest bearing at a rate of LIBOR + 2%. The loan is secured by fixed and floating charges over the assets of the company.

NOTES TO THE ACCOUNTS

Period from 15 August 2002 to 30 June 2003

17. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	£
Acquired with subsidiary	50,393
Current period credit	(5,386)
	<hr/>
At 30 June 2003	45,007
	<hr/>

Deferred taxation relates to capital allowances in advance of depreciation.

18. CALLED UP SHARE CAPITAL

	2003
	£
Authorised	
1,750,000 ordinary shares of £0.10 each	175,000
4,238,586 cumulative redeemable preference shares of £1 each	4,238,586
	<hr/>
	4,413,586
	<hr/>
Called up, allotted and fully paid	
1,564,421 ordinary shares of £0.10 each	156,442
4,238,586 cumulative redeemable preference shares of £1 each	4,238,586
	<hr/>
	4,395,028
	<hr/>

The shares were issued on 23 December 2002. The preference shares were issued at par. Ordinary shares were issued at £0.729785 per share giving rise to share premium of £985,249.

Preference shares

The preference shares entitle the holders to receive dividends in priority to all other shareholders. The dividend is a fixed cumulative dividend of 5% per annum payable half yearly in arrears. Interest on unpaid dividends accrues at a rate of 10% per annum.

The preference shares are redeemable at par in full on 31 December 2007, or on a sale or event of default if earlier. The preference shares do not carry voting rights, but have priority over amounts receivable on a winding up or reduction in share capital.

Ordinary shares

The ordinary shareholders are not entitled to receive any dividend until a bank loan and the preference shares have been redeemed in full. They carry full voting rights, but rank behind the preference shares in a winding up or reduction in share capital.

NOTES TO THE ACCOUNTS

Period from 15 August 2002 to 30 June 2003

19. ACQUISITIONS

On 23 December 2002, the company acquired the entire ordinary share capital of Wassen International Limited. The amount of goodwill arising on the transaction was £3,990,570. This has been capitalised on the group balance sheet.

The following table shows the book values and adjustments made to arrive at the fair values of the major categories of assets and liabilities acquired and included in the consolidated financial statements from the date of acquisition.

Assets acquired at 23 December 2002	Book value and Fair value £
Tangible fixed assets	112,905
Intangible assets	135,972
Stocks	998,445
Debtors	2,023,828
Cash at bank and in hand	1,144,530
Creditors	(1,752,017)
Provisions	(50,393)
Loans	(277,778)
	<hr/>
	2,335,492
Goodwill	3,990,570
	<hr/>
	6,326,062
	<hr/>
Satisfied by:	
Shares allotted	5,218,481
Cash	1,107,581
	<hr/>
	6,326,062
	<hr/>

The profits after taxation of Wassen International Limited were as follows:

	Profit after tax £
Results prior to acquisition	
1 July 2002 to the date of acquisition	250,977
Preceding financial year ended 30 June 2002	487,805

The acquisition during the period contributed £408,139 to the group's net operating cash flows, received £1,034 in respect of net returns on investment and servicing of finance, paid £230,038 in respect of taxation and utilised £11,302 for investing activities.

NOTES TO THE ACCOUNTS

Period from 15 August 2002 to 30 June 2003

20. OTHER COMMITMENTS

At 30 June 2003 the group and company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2003 £	Other 2003 £
Expiry date:		
Within 1 year	-	-
Between 1 and 2 years	-	6,910
Between 2 and 5 years	68,270	1,781
In more than 5 years	56,417	-
	<u>124,687</u>	<u>8,691</u>

21. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they accrue. The charge for the period was £42,835. At the year-end, an amount of £nil was outstanding.

22. RELATED PARTY TRANSACTIONS

The Group

J E Smithurst has a controlling interest in John Smithurst & Co., which supplied services to the group amounting to £15,750. The amount owed to John Smithurst & Co. at the year-end was £3,085.