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Company Registration No. 547325 (England and Wales)

ALCOHOLS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002



ALCOHOLS LIMITED

COMPANY INFORMATION

Directors	A J Wallis R H Ling
Secretary	R H Ling
Company number	547325
Registered office	Charringtons House The Causeway Bishop's Stortford Hertfordshire CM23 2EW
Auditors	F W Stephens & Co 10 Charterhouse Square London EC1M 6LQ
Bankers	National Westminster Bank plc 134 Aldersgate Street London EC1A 4LD
Solicitors	Whitehouse Gibson & Alton 29 Abbeville Road Clapham London SW4 9LA

ALCOHOLS LIMITED

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ALCOHOLS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2002

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

Principal activities and review of the business

The principal activity of the company continued to be the manufacture of various alcohol products and the distribution of alcohols and solvents.

The company is a subsidiary of W H Palmer & Co (Industries) Limited.

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £40,000. The directors recommend payment of a final dividend amounting to £65,000.

Future developments

The company will continue to concentrate on further development of its core activities of chemical distribution and gin distillation by expansion resulting from its marketing strategy or acquisition of any business complementary to its core activities.

Directors

The following directors have held office since 1 January 2002:

A J Wallis
R H Ling

In accordance with the company's Articles of Association, R H Ling retires by rotation and, being eligible, offers himself for re-election.

Directors' interests

The directors had no interest in the shares of the company. The directors' interests in the ordinary shares of the ultimate holding company were as stated below:

	Ordinary of £ 1 each	
	31 December 2002	1 January 2002
A J Wallis	7,500	7,500
R H Ling	-	-

The directors had no interest in the shares of any other company within the group.

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

ALCOHOLS LIMITED

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

Financial Reporting Standard 17

A full actuarial valuation of the company's Retirement and Death Benefit Scheme was carried out on 1st June 2002 and, at the request of the directors, updated to reflect market conditions as at 31st December 2002. The information required to comply with FRS 17 for the year ended 31st December 2001 could only be obtained with reference to the last actuarial valuation on 1st June 1999. The directors decided not to comply with the transitional provisions of FRS 17 as they did not consider that the expense of obtaining the required information as at 31st December 2001 would be justified nor were they satisfied that accurate information could be obtained by using old data.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that F W Stephens & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

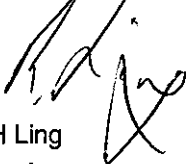
Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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;
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



R H Ling
Director

23 May 2003

ALCOHOLS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALCOHOLS LIMITED

We have audited the financial statements of Alcohols Limited on pages 4 to 16 for the year ended 31 December 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 6.

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 auditor's 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 opinion we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

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

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

Basis of audit opinion

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

Qualified Opinion arising from the omission of certain disclosures

For reasons stated in the Directors' Report and as disclosed in Note 1.2, the directors decided not to comply with the transitional provisions of Financial Reporting Standard 17, which concerns Retirement Benefits, in respect of the year ended 31 December 2001.

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

FW Stephens & Co

F W Stephens & Co

27 May 2003

Chartered Accountants
Registered Auditor

10 Charterhouse Square
London
EC1M 6LQ

ALCOHOLS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 £	2001 £
Turnover	2	9,807,693	10,184,089
Cost of sales		(6,744,238)	(7,180,723)
Gross profit		3,063,455	3,003,366
Distribution costs		(2,149,811)	(2,134,456)
Administrative expenses		(631,413)	(619,084)
Operating profit	3	282,231	249,826
Other interest receivable and similar income		70,027	85,212
Profit on ordinary activities before taxation		352,258	335,038
Tax on profit on ordinary activities	4	(91,888)	(98,000)
Profit on ordinary activities after taxation		260,370	237,038
Dividends	5	(105,000)	(105,000)
Retained profit for the year	14	155,370	132,038

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

There are no recognised gains and losses other than those passing through the profit and loss account.

ALCOHOLS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Tangible assets	6		563,548		600,699
Investments	7		121,500		121,500
			<u>685,048</u>		<u>722,199</u>
Current assets					
Stocks	8	1,010,629		941,547	
Debtors	9	1,675,130		1,800,477	
Cash at bank and in hand		1,715,863		1,593,931	
		<u>4,401,622</u>		<u>4,335,955</u>	
Creditors: amounts falling due within one year	10	(1,513,258)		(1,654,112)	
Net current assets			<u>2,888,364</u>		<u>2,681,843</u>
Total assets less current liabilities			<u>3,573,412</u>		<u>3,404,042</u>
Provisions for liabilities and charges	11		(28,000)		(14,000)
			<u>3,545,412</u>		<u>3,390,042</u>
Capital and reserves					
Called up share capital	13		1,000		1,000
Profit and loss account	14		3,544,412		3,389,042
Shareholders' funds - equity interests	15		<u>3,545,412</u>		<u>3,390,042</u>

The financial statements were approved by the Board on 23 May 2003


A J Wallis
Director


R H Ling
Director

ALCOHOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a wholly owned subsidiary, and its results are included in the consolidated financial statements.

1.2 Compliance with and departure from accounting standards

The financial statements are prepared in accordance with applicable accounting standards (except as noted below).

The company operates a defined benefit scheme on behalf of its directors and employees. A full actuarial valuation was carried out on 1st June 2002 and, at the request of the directors, was updated to reflect market conditions as at 31st December 2002. The directors decided not to comply with the transitional provisions of Financial Reporting Standard 17, Retirement Benefits, in respect of the year ended 31st December 2001, as they did not consider that the expense of obtaining such valuations would be justified.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT, excise duties and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings short lease	over the lease term
Plant and machinery	5%, 10%, 15%, 20% and 25% per annum
Fixtures, fittings & equipment	15%, 20% and 25% per annum
Motor vehicles	20%, 25% and 33 1/3% per annum

1.5 Leasing

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

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock

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

1.8 Pensions

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

ALCOHOLS LIMITED

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

1 Accounting policies

(continued)

1.9 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision will be made for deferred tax on gains recognised on revaluing property to its market value until the company intends to sell the revalued assets.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment as the company had already recognised all deferred taxation timing differences in full.

1.10 Foreign currency translation

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

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of W H Palmer & Co (Industries) Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

2 Turnover

The total turnover for the company for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the company's turnover is set out below:

Geographical market

	Turnover	
	2002	2001
	£	£
United Kingdom	9,070,980	9,504,863
Rest of the world	736,713	679,226
	<u>9,807,693</u>	<u>10,184,089</u>

ALCOHOLS LIMITED

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

3	Operating profit	2002 £	2001 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	144,976	159,438
	Loss on disposal of tangible assets	-	7,805
	Loss on foreign exchange transactions	1,242	-
	Operating lease rentals	142,856	154,628
	Auditors' remuneration	10,000	9,500
	and after crediting:		
	Profit on disposal of tangible assets	(5,493)	(1,542)
	Profit on foreign exchange transactions	-	(994)
		<u> </u>	<u> </u>
4	Taxation	2002 £	2001 £
	Domestic current year tax		
	U.K. corporation tax	88,000	100,000
	Adjustment for prior years	(10,112)	-
		<u> </u>	<u> </u>
	Current tax charge	77,888	100,000
	Deferred tax		
	Deferred tax charge/credit current year	14,000	(2,000)
		<u> </u>	<u> </u>
		91,888	98,000
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	352,258	335,038
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2001 : 30.00%)	105,677	100,511
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	5,101	6,499
	Depreciation	43,493	47,831
	Capital allowances	(48,331)	(34,888)
	Adjustments to previous periods	(10,112)	-
	Chargeable disposals	(1,648)	-
	Other tax adjustments including marginal relief	(16,292)	(19,953)
		<u> </u>	<u> </u>
		(27,789)	(511)
		<u> </u>	<u> </u>
	Current tax charge	77,888	100,000
		<u> </u>	<u> </u>

ALCOHOLS LIMITED

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

5 Dividends					2002	2001
					£	£
Ordinary interim paid					40,000	40,000
Ordinary final proposed					65,000	65,000
					<u>105,000</u>	<u>105,000</u>
6 Tangible fixed assets	Land and buildings short lease	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total	
	£	£	£	£	£	
Cost						
At 1 January 2002	104,411	1,236,885	197,717	317,554	1,856,567	
Additions	-	56,297	25,116	45,919	127,332	
Disposals	-	(21,569)	-	(144,643)	(166,212)	
	<u>104,411</u>	<u>1,271,613</u>	<u>222,833</u>	<u>218,830</u>	<u>1,817,687</u>	
At 31 December 2002						
Depreciation						
At 1 January 2002	70,908	837,632	166,549	180,779	1,255,868	
On disposals	-	(21,569)	-	(125,136)	(146,705)	
Charge for the year	4,844	65,807	20,623	53,702	144,976	
	<u>75,752</u>	<u>881,870</u>	<u>187,172</u>	<u>109,345</u>	<u>1,254,139</u>	
At 31 December 2002						
Net book value						
At 31 December 2002	<u>28,659</u>	<u>389,743</u>	<u>35,661</u>	<u>109,485</u>	<u>563,548</u>	
At 31 December 2001	<u>33,503</u>	<u>399,253</u>	<u>31,168</u>	<u>136,775</u>	<u>600,699</u>	

ALCOHOLS LIMITED

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

7 Fixed asset investments

	Unlisted investments	Shares in group undertakings	Total
	£	£	£
Cost			
At 1 January 2002	15,000	125,500	140,500
Additions	17,997	-	17,997
	<hr/>	<hr/>	<hr/>
At 31 December 2002	32,997	125,500	158,497
	<hr/>	<hr/>	<hr/>
Provisions for diminution in value			
At 1 January 2002	14,000	5,000	19,000
Charge for the year	17,997	-	17,997
	<hr/>	<hr/>	<hr/>
At 31 December 2002	31,997	5,000	36,997
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2002	1,000	120,500	121,500
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2001	1,000	120,500	121,500
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Alcohols (North West) Limited	England & Wales	Ordinary	100
Lang-Met Distillers Limited	England & Wales	Ordinary	100
Langley Distillery Limited	England & Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Alcohols (North West) Limited	92,011	-
Lang-Met Distillers Limited	28,500	-
Langley Distillery Limited	-	-
	<hr/> <hr/>	<hr/> <hr/>

The subsidiary undertakings did not trade during the year.

ALCOHOLS LIMITED

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

8	Stocks	2002	2001
		£	£
	Finished goods and goods for resale	1,010,629	941,547
		<u> </u>	<u> </u>
9	Debtors	2002	2001
		£	£
	Trade debtors	1,599,826	1,725,236
	Other debtors	24,542	9,621
	Prepayments and accrued income	50,762	65,620
		<u> </u>	<u> </u>
		1,675,130	1,800,477
		<u> </u>	<u> </u>
10	Creditors: amounts falling due within one year	2002	2001
		£	£
	Trade creditors	733,791	695,737
	Amounts owed to subsidiary undertakings	120,511	120,511
	Corporation tax	93,000	119,714
	Other taxes and social security costs	39,372	40,633
	Other creditors	12,876	9,291
	Accruals and deferred income	448,708	603,226
	Proposed dividend	65,000	65,000
		<u> </u>	<u> </u>
		1,513,258	1,654,112
		<u> </u>	<u> </u>

ALCOHOLS LIMITED

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

11 Provisions for liabilities and charges

	Deferred taxation £
Balance at 1 January 2002	14,000
Profit and loss account	14,000
	<hr/>
Balance at 31 December 2002	28,000
	<hr/> <hr/>

Deferred taxation provided in the financial statements is as follows:

	2002 £	2001 £
Accelerated capital allowances	70,000	63,000
Other timing differences	(42,000)	(49,000)
	<hr/>	<hr/>
	28,000	14,000
	<hr/> <hr/>	<hr/> <hr/>

ALCOHOLS LIMITED

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

12 Pension costs

The company operates a pension scheme providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the company, being invested with life assurance companies.

The pension cost is assessed in accordance with SSAP 24, Accounting for Pension Costs, based on triennial valuations on the advice of an independently qualified actuary using the attained age funding method. The latest actuarial valuation, for the purposes of these financial statements, was as at 1st June 1999.

The principal assumptions used were that, in the long term, the return on investments would be 9% per annum, that salary increases would average 6% per annum and that current employees' pensions up to pensionable age would increase with commensurate benefit.

The valuation, on 1st June 1999, also indicated that the market value of the scheme's assets was £2.99m and that the actuarial value of those assets represented 132% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

Due to the actuarial surplus in the scheme, as at 1st June 1999, the company did not make any contributions to the fund between 1993 and 2000. The company's normal annual contribution would amount to 15.3% of pensionable payroll. The difference between the value of the assets and the projected accrued liabilities (after allowing for expected future increases in earnings and discretionary pension increases) is being amortised over 10 years, being the average expected remaining service lives of the pensionable employees. Therefore this contribution has been reduced to 2.9% due to the amortisation of the actuarial surplus.

The total pension cost for the company was £63,992 (2001: £32,161).

Accruals of £128,063 (2001: £144,071) are included in creditors, being the difference between the accumulated pension costs and the accumulated amounts paid into the pension fund.

Actuarial valuation finalised since the year end

Since the year end the triennial valuation, as at 1st June 2002, has been finalised. The principal assumptions used were that, in the long term, the return on investments would be 7% per annum, that salary increases are restricted to 3% per annum and that current employees' pensions up to pensionable age would increase with commensurate benefit.

The valuation also indicated that the market value of the schemes assets was £2.68m and that the actuarial value of those assets represented 107% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

On the advice of the actuary the company's normal rate of contributions is estimated to be 15.9% of pensionable payroll plus additional contributions of £38,000 per annum to cover the updated actuarial deficit as at 31st December 2002 (see below) and additional Death in Service insurance premiums. This contribution rate will be effective from 1st March 2003.

ALCOHOLS LIMITED

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

12 Pension costs

(continued)

FRS 17, Retirement benefits, disclosures

The full implementation of FRS 17 has been deferred. However certain disclosures are required which are included below.

The valuation has been based on the most recent actuarial valuation (as noted above) and updated by the scheme actuary to 31st December 2002 for the purposes of FRS 17.

The principal actuarial assumptions were as follows:

	2002 %
The main financial assumptions are as follows:	
Rate of increase in salaries	3.00
Rate of increase in pensions in payment	2.25
Discount rate	5.50
Inflation assumption	2.25

The long term expected rates of return are as follows:

Equities	8.25
Bonds	5.25
Other assets	5.00

The assets in the scheme are as follows:

Equities	1,600,000
Bonds	300,000
Other assets	200,000
	<hr/>
	2,100,000
Present value of scheme liabilities	2,900,000
	<hr/>
Deficit in scheme	(800,000)
Related deferred tax asset	240,000
	<hr/>
Net pension liability	(560,000)

ALCOHOLS LIMITED

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

13 Share capital	2002	2001
	£	£
Authorised		
1,000 Ordinary of £ 1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
1,000 Ordinary of £ 1 each	1,000	1,000
	<u> </u>	<u> </u>
14 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 January 2002		3,389,042
Retained profit for the year		155,370
		<u> </u>
Balance at 31 December 2002		3,544,412
		<u> </u>
15 Reconciliation of movements in shareholders' funds	2002	2001
	£	£
Profit for the financial year	260,370	237,038
Dividends	(105,000)	(105,000)
	<u> </u>	<u> </u>
Net addition to shareholders' funds	155,370	132,038
Opening shareholders' funds	3,390,042	3,258,004
	<u> </u>	<u> </u>
Closing shareholders' funds	3,545,412	3,390,042
	<u> </u>	<u> </u>
16 Financial commitments		
At 31 December 2002 the company had annual commitments under non-cancellable operating leases as follows:		
	Land and buildings	
	2002	2001
	£	£
Expiry date:		
Between two and five years	19,700	19,700
In over five years	130,040	112,440
	<u> </u>	<u> </u>
	149,740	132,140
	<u> </u>	<u> </u>

ALCOHOLS LIMITED

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

17	Capital commitments	2002	2001
		£	£
	At 31 December 2002 the company had capital commitments as follows:		
	Contracted for but not provided in the financial statements	5,930	31,573
		<u> </u>	<u> </u>

18	Directors' emoluments	2002	2001
		£	£
	Emoluments for qualifying services	174,127	185,580
		<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 2 (2001 - 2).

19 Employees

Number of employees

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

	2002 Number	2001 Number
Administration and management	8	8
Operational, selling and distribution	32	31
	<u> </u>	<u> </u>
	40	39
	<u> </u>	<u> </u>

Employment costs

	£	£
Wages and salaries	925,233	874,444
Social security costs	78,624	81,599
Other pension costs	67,825	39,386
	<u> </u>	<u> </u>
	1,071,682	995,429
	<u> </u>	<u> </u>

20 Control

The ultimate parent company is W H Palmer & Co (Industries) Limited, a company registered in England and Wales.

W H Palmer & Co (Industries) Limited prepares group financial statements and copies can be obtained from Charringtons House, The Causeway, Bishop's Stortford, Hertfordshire, CM23 2EW.