Company Registration No. 58397

TOWERS & CO LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

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TOWERS & CO LIMITED
DIRECTORS' REPORT
For the year ended 31 December 2003

The directors present their report together with the audited financial statements for the year ended 31 December 2003.

Principal Activities
The Company is principally engaged in the wholesale, importing and distribution of meat and poultry.

Results and Review of Operations
The Company made a pre-tax profit for the year of £1,136,000 (2002: *£1,106,000*).

Dividend
An interim dividend of £500,000 (2002: *£500,000*) has been paid for the year. The directors recommend the payment of a final dividend of £500,000 (2002: *£300,000*), making a total of £1,000,000 (2002: *£800,000*) for the year.

Directors and Directors' Interests
Details of directors who held office during the financial year, and their beneficial interests in the shares of the ultimate parent company at the beginning and end of the financial year as recorded in the register of directors' shares and debenture interests, are:

	Towers Thompson Holdings Ltd £0.10 Ordinary Shares 1 January and 31 December 2003
D L Clark	225,000
T G Goddard	300,000
A P Thompson	*420,000
D W Berry	165,000
P Dolan	165,000

*Includes 120,000 ordinary shares in which A P Thompson has a non beneficial interest.

None of the directors held any shares in Towers & Co Limited during the year.

According to the register of directors' interests, no rights to subscribe for shares in, or debentures of the company, or any other group company, were granted to any of the directors or their immediate families, or exercised by them in the year.

Political and Charitable Donations
The Company made no political contributions during the current or prior year. Donations to UK charities amounted to £1,000 (2002: *£2,000*).

TOWERS & CO LIMITED
DIRECTORS' REPORT (CONTINUED)
For the year ended 31 December 2003

Employment of Disabled Persons
The Company's policy and practice is to encourage and assist the employment of disabled people and to retain employees who become disabled.

Employees
The Company considers that a loyal and highly skilled workforce is essential to the future of its business, and therefore recognises that employees should be kept informed of the progress of their business and of the Company as a whole.

Auditors
Pursuant to a shareholders' resolution, the Company is not obliged to re-appoint its auditors annually and KPMG LLP will therefore continue in office.

By order of the Board

P Dolan
Secretary

Towers Thompson Ltd
Turnford Place
Great Cambridge Road
Broxbourne
Hertfordshire
EN10 6NH

6 April 2004

TOWERS & CO LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
For the year ended 31 December 2003

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 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 a 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

TOWERS & CO LIMITED
INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF TOWERS & CO LTD

We have audited the financial statements on pages 5 to 20.

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 opinions we have formed.

Respective Responsibilities of Directors and Auditors
The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

Basis of Audit Opinion
We conducted our audit in accordance with 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 company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor
Aquis Court
31 Fishpool Street
St. Albans
Hertfordshire
AL3 4RF

6 April 2004

TOWERS & CO LIMITED

Profit and Loss Account

For the Year Ended 31 December 2003

	Note	**2003**	2002
		£'000	£'000
Turnover	2	**114,507**	118,804
Cost of Sales		**(102,618)**	(106,835)
Gross Profit		**11,889**	11,969
Distribution Costs		**(2,744)**	(2,859)
Administrative Expenses		**(7,854)**	(7,997)
Operating Profit	4	**1,291**	1,113
Income from shares in group undertaking	8	**190**	330
Interest Receivable and Similar Income	5	-	1
Interest Payable and Similar Charges	6	**(345)**	(338)
Profit on Ordinary Activities Before Taxation		**1,136**	1,106
Tax on Profit on Ordinary Activities	7	**(254)**	(253)
Profit on Ordinary Activities After Taxation		**882**	853
Profit for the Financial Year		**882**	853
Dividends Payable	9	**(1,000)**	(800)
Retained (Loss)/ Profit for the Year	19	**(118)**	53

All of the company's activities are derived from continuing operations. There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

TOWERS & CO LIMITED
BALANCE SHEET
As at 31 December 2003

	Note	**2003**		2002	
		£'000	**£'000**	£'000	£'000
Fixed Assets					
Tangible Assets	10		**1,866**		1,604
Investments	11		**1,570**		1,570
			3,436		3,174
Current Assets					
Stocks	12	**12,468**		7,251	
Debtors	13	**20,079**		18,588	
Cash at Bank and in hand		**798**		907	
		33,345		26,746	
Creditors due within one year	15	**(20,849)**		(13,900)	
Net Current Assets			**12,496**		12,846
Total Assets Less Current Liabilities			**15,932**		16,020
Creditors due after one year	16		**(818)**		(788)
Net Assets			**15,114**		15,232
Capital and Reserves					
Called Up Share Capital	18		**13,549**		13,549
Profit and Loss Account	19		**1,565**		1,683
Equity Shareholder's Funds			**15,114**		15,232

These financial statements were approved by the board of directors on 6 April 2004 and were signed on its behalf by:

Goddard

Terry G Goddard
Director

TOWERS & CO LIMITED
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
For the Year ended 31 December 2003

	2003	2002
	£'000	£'000
Profit for the Financial Year	**882**	853
Dividends	**(1,000)**	(800)
Net (Reduction) in/Addition to Shareholders' Funds	**(118)**	53
Opening Shareholders' Funds	**15,232**	15,179
Closing Shareholders' Funds	**15,114**	15,232

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements. (The Company has followed the transitional arrangements of FRS17 'Retirement benefits').

Basis of Preparation
The accounts have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its ultimate parent undertaking includes the Company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Towers Thompson Holdings Limited, the Company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Towers Thompson Holdings Limited, within which this Company is included, are available to the public and can be obtained from Turnford Place, Great Cambridge Road, Turnford, Hertfordshire, EN10 6NH.

Turnover
Turnover represents the invoiced value of sales during the year excluding transactions between companies within the group and excluding value added tax where applicable. Turnover is recognised upon despatch of the goods or services.

Depreciation
The cost or valuation of tangible fixed assets is written off on a straight line basis over their estimated useful lives. Principal rates of depreciation in use by the Company are:-

Freehold Buildings	-	50 - 100 years
Leasehold Property	-	Period of Lease
Plant and Equipment	-	15%-20%
Motor Vehicles	-	20%-25%

1. ACCOUNTING POLICIES - (Continued)

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises purchase price including freight, insurance, landing charges and transport.

Deferred Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date. Full provision is made for all timing differences except as otherwise required by FRS19. Deferred tax assets are recognised to the extent that they are regarded as recoverable.

Lease Purchase and operating leases

Assets held under lease purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. Interest is charged to the profit and loss account in proportion to the capital repayments outstanding. Rentals payable under operating leases are charged against income on a straight line basis over the life of the lease.

Pension Costs

The Group operates both a defined contribution scheme and pension schemes providing benefits based on final pensionable pay. The assets of the schemes are held separately from those of the Group in independently administered funds. The amount charged against profits in respect of the defined contribution scheme represents the contributions payable to the scheme in respect of the accounting period.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003 (continued)

2. ANALYSIS OF TURNOVER AND PROFIT BEFORE TAXATION

All the company's turnover and profit before taxation is derived from the company's main activity, meat and poultry wholesaling.

Turnover is analysed by geographical market as follows:

	2003	2002
	£'000	£'000
United Kingdom	**96,124**	96,020
Europe	**16,677**	18,824
Rest of World	**1,706**	3,960
	114,507	118,804

3. EMPLOYEES AND DIRECTORS

The average number of employees, including directors, during the year was as follows:

	Number of employees	
	2003	2002
Management	**6**	6
Administration	**39**	35
Production & Distribution	**137**	147
	182	188

	2003	2002
The aggregate payroll costs of these persons were as follows:	**£'000**	£'000
Wages and Salaries	**4,305**	4,491
Social Security Costs	**423**	441
Other Pension Costs	**361**	197
	5,089	5,129

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003 (continued)

3. EMPLOYEES AND DIRECTORS (continued)

	2003	2002
	£'000	£'000
Remuneration paid to executive directors	**556**	642
Pension contributions	**63**	64
	619	706

The remuneration paid to the highest paid director, excluding pension contributions, amounted to £138,000 *(2002: £161,000).* Pension contributions of £17,000 (2002: *£17,000*) were paid on his behalf during the year.

All five directors accrued retirement benefits under a company defined benefit scheme in both the current and the previous year. The highest paid director had an accrued pension at the year-end of £49,000 (2002: £47,000).

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2003	2002
	£'000	£'000
Auditors' remuneration:		
Audit	**52**	52
Other Services	**14**	14
Operating lease charges:		
Plant & Machinery	**198**	239
Other	**387**	364
Depreciation - owned assets	**37**	232
- leased assets	**416**	210
(Gain)/Loss on disposal of fixed assets	**(25)**	12

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2003	2002
	£'000	£'000
On Bank Deposits	**-**	1
	-	1

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003 (continued)

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2003	2002
	£'000	£'000
Lease purchase interest	**55**	58
On Bank Loans and Overdrafts	**290**	268
On Inter-company Loans	**-**	12
	345	338

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

Analysis of charge in year	**2003**	2002
	£'000	£'000
UK Corporation Tax at 30% (2002: 30%)		
Current tax on income for the year	**260**	200
Adjustments in respect of prior years	**(16)**	(4)
Total current tax	**244**	196
Deferred tax (see note 14)	**10**	57
Tax on profit on ordinary activities	**254**	253

The current tax charge for the year is lower (2002: lower) than the standard rate of corporation tax in the UK (30%, 2002: 30%). The differences are explained below:

Current tax reconciliation		
Profit on ordinary activities before tax	**1,136**	1,106
Current tax at 30% (2002: 30%)	**341**	332
Effects of:		
Income not taxable	**-**	(71)
Expenses not deductible for tax purposes	**30**	(11)
Capital allowances for year in excess of Depreciation	**(48)**	(44)
(Gain)/Loss on disposal	**(8)**	4
Double tax relief claimed	**(57)**	(28)
Other timing differences	**2**	18
Adjustment in respect of prior years	**(16)**	(4)
Total current tax charge (see above)	**244**	196

8. DIVIDENDS RECEIVABLE

	2003	2002
	£'000	£'000
From Subsidiary Companies	**190**	330

9. DIVIDENDS PAID AND PAYABLE

	2003	2002
	£'000	£'000
Interim Dividends – paid	**500**	500
Equity shares: Final Dividends - proposed	**500**	300
	1,000	800

10. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Short Leasehold Property	Plant, Equipment and Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2003	139	132	4,128	4,399
Additions	-	-	727	727
Disposals	-	-	(153)	(153)
At 31 December 2003	139	132	4,702	4,973
Depreciation				
At 1 January 2003	-	131	2,664	2,795
Charge For Year	2	-	451	453
Disposals	-	-	(141)	(141)
At 31 December 2003	2	131	2,974	3,107
Net Book Value				
At 31 December 2003	137	1	1,728	1,866
At 31 December 2002	139	1	1,464	1,604

The net book value of leased assets is £1,217,000 within plant, equipment and vehicles (2002: *£1,110,000*). Depreciation charged to the profit and loss account on these assets during the year was £416,000 (2002: *£215,000*).

11. FIXED ASSET INVESTMENTS

	Shares in Subsidiary Undertakings
	£'000
At 1 January and 31 December 2003	1,570

Details of the principal subsidiary undertakings are listed in Note 23.

12. STOCKS

	2003 £'000	2002 £'000
Finished Goods	**12,468**	7,251

13. DEBTORS

	2003 £'000	2002 £'000
Amounts receivable within one year:		
Trade Debtors	**11,995**	10,671
Amounts owed by Group Undertakings	**7,601**	7,504
Other Debtors	**221**	182
Prepayments and accrued income	**155**	114
	19,972	18,471
Amounts receivable after more than one year:		
Deferred tax asset (Note 14)	**107**	117
	20,079	18,588

14. DEFERRED TAXATION

Deferred tax asset

	2003 £'000	2002 £'000
At beginning of year	**117**	174
Debit for the year	**(10)**	(57)
At end of year	**107**	117

The elements of deferred taxation are as follows:

	2003 £'000	2002 £'000
Difference between accumulated depreciation and capital allowances	**80**	112
Other timing differences	**27**	5
	107	117

The deferred tax asset is included with debtors (see note 13).

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003 (continued)

15. CREDITORS DUE WITHIN ONE YEAR

	2003 £'000	2002 £'000
Bank Overdrafts	**7,188**	2,577
Obligations under finance leases & hire purchase contracts	**478**	324
Trade Creditors	**5,772**	5,359
Amounts owed to Group Undertakings	**1,216**	1,229
Corporation Tax	**260**	141
Taxation and Social Security	**278**	301
Other Creditors	**279**	449
Accruals and Deferred Income	**4,878**	3,220
Dividends proposed (see note 9)	**500**	300
	20,849	13,900

The majority of the Company's bank overdrafts are secured by a debenture.

16. CREDITORS DUE AFTER ONE YEAR

	2003 £'000	2002 £'000
Obligations under finance leases and hire purchase contracts	**818**	788

17. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	2003 £'000	2002 £'000
Amounts payable:		
Within one year	**504**	367
In second to fifth years	**834**	830
	1,338	1,197
Less: future finance charges	**(42)**	(85)
	1,296	1,112
Lease purchase contracts are analysed as follows:		
Current obligations	**478**	324
Non current obligations	**818**	788
	1,296	1,112

18. CALLED UP SHARE CAPITAL

	At 1 January and 31 December 2003 £'000
Authorised	
Equity: 17,000,000 ordinary shares at £1 each	17,000
Allotted, called up and fully paid	
Equity: 13,548,673 ordinary shares at £1 each	13,549

19. RESERVES

Profit and Loss Account

	2003 £'000	2002 £'000
At beginning of year	**1,683**	1,630
Profit for the financial year	**882**	853
Dividend	**(1,000)**	(800)
At end of year	**1,565**	1,683

20. PENSION COSTS

Contributions in respect of the Towers Scheme are determined on a money purchase (defined contribution) basis and the pension costs of £90,000 (*2002*: £87,000) reflects the amount of contributions during the calendar year. Contributions totaling £7,000 (2002: £7,000) were payable to the fund at the year-end and are included in creditors.

Contributions to the group's defined benefits scheme (the John Silver Scheme) are charged to the profit and loss account so as to spread the cost of the pension over the employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The John Silver Scheme is closed to new entrants. As a consequence the current service cost calculated under the projected unit method, when expressed as a percentage of the pensionable payroll, can be expected to increase over time, as the average age of the membership increases.

The most recent actuarial valuation for the John Silver Scheme was carried out on 1 November 2000 and assessed on the Minimum Funding Requirement basis (MFR). The realisable value of the Scheme's assets at that date were £1,850,000 and the actuarial value of those assets represented 118% of the benefits that had accrued to members, after allowing for expected future increases in earnings. The assumptions used which have the most significant effect on the results of the valuations are those relating to the rate of return on

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003 (continued)

PENSION COSTS (continued)

U.K. equities (9%), gilts (8%), and the rate of increase in salaries (6% p.a.), and pension increases (3½ % p.a.).

Since 1 November 2001 on the advice of the Scheme Actuary the Company has been paying contributions at the standard Company contribution rate of 15% of Pensionable Earnings.

The pension contribution made by the company over the year to the John Silver Scheme was £172,000 (2002: £103,000). Contributions totaling £7,000 (2002: £6,000) were payable to the fund at the year-end and are included in creditors.

The actuarial valuation of the scheme at 1 November 2000 was updated to 31 December 2003 on a set of assumptions consistent with those required under FRS17 by a qualified actuary. The major assumptions used by the actuary were:

	2003	2002	2001
Rate of increase in pensionable salaries	**1.0%**	2.5%	2.7%
Rate of increases in pensions in payment (3% pre 06.04.97)	**3.00%**	3.0%	3.0%
Rate of increases in pensions in payment (LPI with a minimum of 3%)	**3.25%**	3.0%	3.0%
Discount rate	**5.4%**	5.4%	5.8%
Rate of revaluation of deferred pensions	**2.9%**	2.5%	2.7%
Inflation assumption	**2.9%**	2.5%	2.7%

	2003	2002	2001
	£'000	£'000	£'000
Equities	**1,472**	1,093	1,136
Bonds	**239**	163	533
Other	**88**	122	22
	1,799	1,378	1,691

Long-term rate of return expected at 31 December	**2003**	2002	2001
Equities	**6.15%**	6.50%	7.00%
Bonds	**4.15%**	4.50%	7.00%
Other	**4.15%**	4.50%	0.00%

	2003	2002	2001
	£'000	£'000	£'000
Overall total market value of assets	1,799	1,378	1,691
Present value of scheme liabilities	(2,443)	(2,405)	(1,988)
Deficit in the scheme	(644)	(1,027)	(297)

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003 (continued)

PENSION COSTS (continued)

Analysis of the amount that would be charged to operating profit	**2003 £'000**	2002 £'000
Current service cost	**66**	68
Past service cost	**0**	0
Curtailments and settlements	**0**	0
	66	68

Analysis of the amount credited to other finance income	**2003 £'000**	2002 £'000
Expected return on pension scheme assets	**90**	121
Interest on pension scheme liabilities	**(132)**	(118)
	(42)	3

Analysis of amounts which would be included within the statement of total recognised gains and losses

	2003 £'000	2002 £'000
Difference between expected and actual return on assets	**130**	(559)
Experience gains and losses arising on the scheme liabilities	**17**	(66)
Effect of changes in the demographic & financial assumptions underlying the present value of the scheme liabilities	**165**	(142)
Actuarial gain/(loss) recognised in statement of total recognised gains and losses	**312**	(767)

Movement of balance sheet deficit figures during the year

	2003 £'000	2002 £'000
Deficit in scheme at beginning of year	**(1,027)**	(297)
Movement in year:		
Current service cost	**(66)**	(68)
Contributions	**179**	102
Return on assets/net interest	**(42)**	3
Actuarial gain/(loss)	**312**	(767)
Deficit in scheme at end of the year	**(644)**	(1,027)

PENSION COSTS (continued)

	At 31 December 2003 £'000	At 31 December 2002 £'000
Net Assets		
Net assets excluding Pension deficit	**15,114**	15,232
Pension deficit	**(644)**	(1,027)
Net assets including pension deficit	**14,470**	14,205
Profit and loss reserve		
Net profit and loss reserve	**1,565**	1,683
Pension deficit	**(644)**	(1,027)
Net profit and loss reserve including pension deficit	**921**	656

The scheme has a small number of pensions in payment relating to previous member retirements, which have been fully secured through an insurance company. The value of these insured liabilities has been excluded from the calculation of the present scheme liabilities. Similarly the market value of assets held by the insurance companies in respect of these policies has been excluded from the company's above disclosure.

History of experience gains and losses

	2003	2002
Difference between the expected and actual return on scheme assets:		
Amount (£'000)	**130**	(559)
Percentage of scheme assets	**7%**	41%
Experienced gains and losses on scheme liabilities		
Amount (£'000)	**17**	(66)
Percentage of the present value of the scheme liabilities	**1%**	3%
Total amount which would be included within statement of total recognised gains and losses:		
Amount (£'000)	**312**	(767)
Percentage of the present value of the scheme liabilities	**12%**	32%

TOWERS & CO LIMITED
NOTES TO THE ACCOUNTS
For the Year Ended 31 December 2003 (continued)

21. COMMITMENTS

The minimum annual lease payments to which the company was committed under non-cancellable operating leases at 31 December 2003 were as follows:

	Land and Buildings		Plant Equipment & Vehicles	
	2003	2002	**2003**	2002
	£'000	£'000	**£'000**	£'000
Operating leases which expire:				
Within One Year	**151**	97	**9**	32
In second to fifth years inclusive	**151**	195	**-**	18
Over Five Years	**12**	36	**-**	-
	314	328	**9**	50

22. ULTIMATE PARENT COMPANY

The ultimate holding company during the year was Towers Thompson Holdings Limited, a company incorporated in England and Wales. A copy of the accounts is available from the address on page 8. The largest and smallest group in which the results of the company are consolidated is Towers Thompson Holdings Limited.

23. SUBSIDIARY UNDERTAKINGS

The principal subsidiary undertakings all of which are wholly owned are as follows:

Operating Subsidiary	Activity	Ordinary Share Capital
Towers Thompson A/S	Meat Traders	100%
Towers Thompson (Australia) Pty Ltd	Meat Traders	100%
Towers Thompson (New Zealand) Ltd	Meat Traders	100%

These subsidiaries are incorporated in Denmark, Australia and New Zealand respectively and are included in the consolidated results of the parent company, Towers Thompson Holdings Limited.

24. RELATED PARTY TRANSACTIONS

T G Goddard purchased a motor vehicle with a book value of £11,000 from the company for £17,000 on 11 April 2003.