

COMET

ANNUAL REPORT AND ACCOUNTS

YEAR ENDING 2 FEBRUARY 2002



Company registration number 278576

COMET GROUP PLC

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2 FEBRUARY 2002**

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COMET GROUP PLC

DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 2 February 2002.

PRINCIPLE ACTIVITY

The company trades as an electrical retailer in stores in the United Kingdom and through a transactional website www.comet.co.uk.

RESULTS, DIVIDENDS AND REVIEW OF BUSINESS

The profit on ordinary activities before taxation amounted to £9,629,000 and after taxation to a profit of £6,580,000. The directors recommend that no dividend be paid and that the profit for the year be added to accumulated reserves.

During the year the company continued to increase its share of the UK electricals market through an on-going commitment to every day low pricing supported by a series of in-store initiatives to improve the customer shopping experience. Additional new format destination stores were opened together with further investment in customer service capability in both home delivery and after sales service. The directors expect a further improvement in performance in the current year. A more detailed review of the business is included in the consolidated group accounts of Kingfisher plc.

PAYMENTS TO SUPPLIERS

The company's policy is that it agrees payment terms with its suppliers of goods and services, does not extend or amend those terms without prior agreement and ensures that disputes in relation to contested charges are promptly handled.

The average number of trade creditor payment days during the year was 45 (2001: 45 days).

EMPLOYEE INVOLVEMENT

The Board regards employee involvement and effective communication as being essential to foster good employee relations, to achieve improved performance and productivity, to enhance the quality of working life and to gain commitment to the company's business objectives.

The prime method of communication and involvement throughout the company is the normal day-to-day process of briefing employees through line management and the periodic publication of an in-house newsletter and video tape.

DISABLED PERSONS

It is the company's policy to give full and fair consideration to the possibility of employing disabled persons wherever suitable opportunities exist. Employees who become disabled are given every opportunity and assistance to continue in their employment or to be trained for other suitable positions.

COMET GROUP PLC

DIRECTORS' REPORT (Continued)

BOARD OF DIRECTORS

The Directors who held office during the period were:

R J Cissell	
G P McTague	
C C B Rogers	(Resigned 1 June 2001)
S R Fox	
P J Illston	(Formerly Hesketh)
P R Geddes	(Resigned 19 February 2001)
J Bizot	
T N Barry	
N I Boston	
H Harvey	(Appointed 1 June 2001)

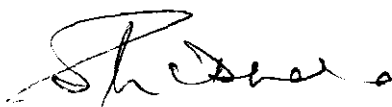
DIRECTORS' INTERESTS IN SHARES

None of the directors has a beneficial interest in the shares of the company. The interests of the directors in shares and loan stock of Kingfisher plc, the company's ultimate parent company, are shown in note 24 to the financial statements.

AUDITORS

A resolution to re-appoint the auditors, PricewaterhouseCoopers, will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



G K McDonald
Secretary
Hull

7 May 2002

COMET GROUP PLC

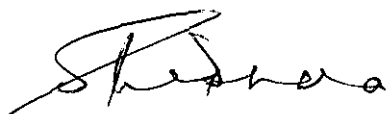
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the period ended 2 February 2002. The directors also confirm that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis.

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

BY ORDER OF THE BOARD



G K McDonald
Secretary
Hull

7 May 2002

COMET GROUP PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMET GROUP PLC

We have audited the financial statements which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

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

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

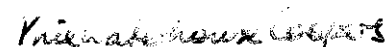
Basis of audit opinion

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 2 February 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Leeds

7 May 2002

COMET GROUP PLC**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 2 FEBRUARY 2002**

	Notes	<u>2002</u> £000	<u>As Restated</u> <u>2001</u> £000
Turnover	2	1,253,216	1,135,097
Cost of sales		(988,240)	(939,463)
Gross profit		264,976	195,634
Selling and distribution costs		(261,784)	(187,918)
Administrative expenses		(43,329)	(48,116)
Other operating income	3	56,530	44,329
Profit on ordinary activities before interest and taxation		16,393	3,929
Net interest payable	4	(6,764)	(6,946)
Profit / (loss) on ordinary activities before taxation	5	9,629	(3,017)
Taxation	8	(3,049)	1,718
Retained profit / (loss) for the year	18	6,580	(1,299)

All of the items disclosed in the profit and loss account are in respect of continuing operations.

		<u>2002</u> £000	<u>As Restated</u> <u>2001</u> £000
Statement of total recognised gains and losses			
Profit / (loss) for the financial year		6,580	(1,299)
Total recognised gains / (losses) for the year		6,580	(1,299)
Prior year adjustments	1,18	(5,513)	-
Total gains / (losses) since last annual report		1,067	(1,299)

There is no difference between the profit / (loss) on ordinary activities before taxation and the profit / (loss) for the period stated above and their historical cost equivalents.

COMET GROUP PLC**BALANCE SHEET AS AT 2 FEBRUARY 2002**

	Notes	<u>2002</u> £000	<u>As Restated</u> <u>2001</u> £000
FIXED ASSETS			
Intangible assets	9	145	183
Tangible assets	10	120,916	120,380
Investments	11	200	200
		<u>121,261</u>	<u>120,763</u>
CURRENT ASSETS			
Stock	12	199,423	203,895
Debtors	13	49,442	54,398
Cash at bank and in hand		10,704	10,302
		<u>259,569</u>	<u>268,595</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	14	(331,723)	(346,648)
NET CURRENT LIABILITIES			
		<u>(72,154)</u>	<u>(78,053)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		49,107	42,710
Creditors: Amounts falling due after one year	14	(1,181)	(1,999)
PROVISIONS FOR LIABILITIES AND CHARGES			
Provisions for liabilities and charges	15	(7,364)	(6,729)
NET ASSETS			
		<u>40,562</u>	<u>33,982</u>
CAPITAL AND RESERVES			
Called-up share capital	17	20,000	20,000
Profit and loss account	18	20,562	13,982
EQUITY SHAREHOLDERS' FUNDS			
		<u>40,562</u>	<u>33,982</u>

The financial statements on pages 5 to 21 were approved by the board of directors on 7 May 2002 and were signed on its behalf by:

R J Cissell, Director

N I Boston, Director

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 2 FEBRUARY 2002**

1. ACCOUNTING POLICIES

Accounting convention and standards

The financial statements of the company are prepared under the historical cost convention and are in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies are summarised below. All of these have been adopted consistently throughout the year and the preceding year, with the exception of the change in accounting policy resulting from the adoption of FRS 19.

Turnover

Turnover represents retail sales and services excluding value added tax.

Depreciation

Depreciation of tangible fixed assets is provided where it is necessary to reflect a reduction from book value to estimated residual value over the useful life of the asset to the company.

Depreciation is calculated by the straight line method, and the annual rates applicable to the principal categories are:

Short leasehold land and buildings	-	to next rent review
Tenant's fixtures and fittings	-	between 10% and 20%
Computers and electronic equipment	-	between 25% and 50%
Motor vehicles	-	between 25% and 50%

Lease premiums and reverse lease premiums

Capital contributions received from landlords for entering a lease are capitalised and amortised over the period of the lease until the first rent review. These amounts are included within short leasehold land and buildings.

Premiums payable for entering into a lease are written off over the life of the lease, except where the premium is linked to the grant of a rent free period, or where the rent is reduced below market levels, in which case the premium is written off over the period to the next rent review. These amounts are included within short leasehold land and buildings.

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 2 FEBRUARY 2002**

1. ACCOUNTING POLICIES (Continued)

Intangible Assets

Intangible assets are trademarks valued at cost. Amortisation is calculated by the straight line method to the date of renewal.

Leased assets

Where assets are held under finance lease the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding lease commitments are shown as obligations to the lessor, lease payments are split between capital and interest, and depreciation and interest on the relevant assets are charged to the profit and loss account. All other leases are operating leases and the annual rentals are charged to the profit and loss account in the financial year to which the payment relates.

Investments

Investments are shown at cost less amounts written off. Provisions for temporary fluctuations in value are not made.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes appropriate overheads and supplier rebates directly attributable to stocks.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration paid over the fair value of the identifiable assets and liabilities acquired. Goodwill arising on the acquisition of subsidiaries and associates was previously written off immediately against reserves.

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 2 FEBRUARY 2002**

1. ACCOUNTING POLICIES (Continued)

Pensions

The company is a member of the defined contribution and defined benefit schemes of Kingfisher plc. The assets of these funds are held under trusts which are entirely separate from the group's assets.

The cost of pensions in respect of the group's defined benefit schemes is charged to the profit and loss account so that it is spread over the working lives of employees. Variations to pension costs caused by differences between the assumptions used and actual experience are spread over the working lives of the current employees at each actuarial valuation date.

Deferred taxation

The company adopted Financial Reporting Standard 19 – Deferred Tax during the year. This standard addresses the recognition of gains and losses in the financial statements and their recognition in a tax computation. The adoption of the standard has resulted in a prior year adjustment to previously reported earnings.

Deferred tax is now recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Further details regarding the change in accounting policy resulting from the adoption of FRS 19 are set out in note 15.

Cashflow statement

As permitted by Financial Reporting Standard 1, no cashflow statement is provided as the company is a wholly owned subsidiary undertaking of a company incorporated in the United Kingdom.

Related party transactions

As permitted by Financial Reporting Standard 8, transactions with fellow subsidiary undertakings of Kingfisher plc, in which the parent company has a shareholding of 90% or more, and which eliminate on consolidation, have not been reported in these financial statements.

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 2 FEBRUARY 2002

2. **TURNOVER**

The company operates only one class of business in the United Kingdom and consequently no segmental information is required.

3. **OTHER OPERATING INCOME**

Other operating income includes financial services income, rents received and profits/losses on the disposal of land and buildings and fixtures and fittings.

4. **NET INTEREST PAYABLE**

	<u>2002</u> £000	<u>2001</u> £000
Interest paid on rents	78	100
On amounts owed to parent company	6,725	7,045
Finance leases	177	110
	<u>6,980</u>	<u>7,255</u>
Less:		
Bank interest receivable	(152)	(61)
On amounts owed by parent company	(64)	(248)
	<u>6,764</u>	<u>6,946</u>

COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2 FEBRUARY 2002****5. PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<u>2002</u> £000	<u>2001</u> £000
Profit / (loss) on ordinary activities before taxation is stated after charging/(crediting):		
Rent receivable	(2,970)	(2,989)
Auditors' remuneration - Audit fees	87	82
- Non audit services	26	8
Operating leases - Land and buildings	57,222	49,671
- Plant and equipment	6,580	6,937
Depreciation - Owned assets	24,527	21,823
- Lease premiums	440	302
- Reverse lease premiums	(977)	(751)
- Leased assets	655	164
Trademark amortisation	38	7
(Profit) / loss on disposal of fixed assets	(72)	1,702
	<u><u> </u></u>	<u><u> </u></u>

6. EMPLOYEES

	<u>2002</u> £000	<u>2001</u> £000
Staff costs (including directors):		
Wages and salaries	146,575	128,055
Social security costs	11,274	9,812
Other pension costs (note 23)	8,116	6,108
	<u><u>165,965</u></u>	<u><u>143,975</u></u>
Average number of persons employed :		
Stores	8,643	7,800
Distribution	1,041	997
Administration	1,023	923
	<u><u>10,707</u></u>	<u><u>9,720</u></u>
The equivalent number of employees working full time would have been	<u><u>7,889</u></u>	<u><u>7,306</u></u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 2 FEBRUARY 2002

7. DIRECTORS	<u>2002</u> <u>£000</u>	<u>2001</u> <u>£000</u>
Aggregate emoluments	1,702	1,406
Amounts receivable under long-term incentive schemes	331	481
Directors' remuneration includes in respect of the highest paid director: Aggregate amounts paid	502	413

None of the directors have received shares under long term incentive schemes.
Retirement benefits are accruing to 8 directors (2001: 9) under a defined benefits scheme.

An annual pension of £11,702 (2001: £9,784) had accrued to the highest paid director at 2 February 2002 under the group's defined benefit scheme.

8. TAXATION		<u>As Restated</u>
UK corporation tax charge / (credit) on profits/(losses) for the period	<u>2002</u> <u>£000</u>	<u>2001</u> <u>£000</u>
Current tax	2,410	(3,009)
Deferred tax (see note 15)	639	1,291
Current tax charge / (credit) for the period	<u>3,049</u>	<u>(1,718)</u>

COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 2 FEBRUARY 2002**8. TAXATION (Continued)****Factors affecting the tax charge for the period**

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

	<u>2002</u>	<u>As Restated</u>
	<u>£000</u>	<u>2001</u>
		<u>£000</u>
Profit / (loss) on ordinary activities before tax	<u>9,629</u>	<u>(3,017)</u>
Profit / (loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2001: 30%)	2,889	(905)
Effects of:		
Timing differences provided for	(652)	(1,291)
Non-deductible items	472	488
UK deductions	<u>(299)</u>	<u>(1,301)</u>
Current corporation tax charge for the period	2,410	(3,009)
Current year deferred tax charge for the period	652	1,291
Prior year deferred tax charge	<u>(13)</u>	<u>-</u>
Total current tax charge / (credit) for the period	<u>3,049</u>	<u>(1,718)</u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 2 FEBRUARY 2002

9. INTANGIBLE ASSETS	<u>Trademarks</u> £000
Cost at 4 February 2001	190
Additions	-
At 2 February 2002	190
Amortisation at 4 February 2001	7
Charge for year	38
At 2 February 2002	45
Net book value at 2 February 2002	145
Net book value at 3 February 2001	183

10. TANGIBLE FIXED ASSETS

	<u>Short leasehold land and buildings</u>	<u>Fixtures, fittings and equipment</u>	<u>Computer equipment held on finance lease</u>	<u>Total</u>
	£000	£000	£000	£000
Cost				
At 4 February 2001	3,145	200,278	3,273	206,696
Additions	(17)	26,581	-	26,564
Intra group additions	-	74	-	74
Disposals	(87)	(6,043)	-	(6,130)
At 2 February 2002	3,041	220,890	3,273	227,204
Depreciation				
At 4 February 2001	2,027	84,125	164	86,316
Charge for year	(26)	24,017	654	24,645
Intra group additions	-	21	-	21
Disposals	(84)	(4,610)	-	(4,694)
At 2 February 2002	1,917	103,553	818	106,288
Net book value				
At 2 February 2002	1,124	117,337	2,455	120,916
At 3 February 2001	1,118	116,153	3,109	120,380

COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 2 FEBRUARY 2002**11. INVESTMENTS**

	<u>2002</u>	<u>2001</u>
	<u>£000</u>	<u>£000</u>
Subsidiaries at cost	<u>200</u>	<u>200</u>

The company owns the entire issued ordinary share capital of the following principal subsidiary companies

	Activity	<u>Country of Registration</u>
Comet Radiovision Services Limited	Non-trading	England & Wales
I.T. Works Limited	Non-trading	England & Wales
Soundtwice Limited	Non-trading	England & Wales
Comet Financial Services Limited	Non-trading	England & Wales
Finance Works Limited	Non-trading	England & Wales

Consolidated accounts have not been prepared as the company is a wholly owned subsidiary of Kingfisher plc, which is registered in England and Wales.

12. STOCK

	<u>2002</u>	<u>2001</u>
	<u>£000</u>	<u>£000</u>
Goods for resale	<u>199,423</u>	<u>203,895</u>

COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2 FEBRUARY 2002**

13. DEBTORS	<u>2002</u> £000	<u>2001</u> £000
Amounts falling due within one year:		
Trade debtors	39,452	38,895
Trade investments	10	10
Amounts owed by fellow subsidiary undertakings	1,689	3,866
Corporation tax	-	2,571
Other debtors	443	423
Prepayments and accrued income	7,687	7,323
Dividends receivable	161	161
	<u>49,442</u>	<u>53,249</u>
Amounts falling due in over one year:		
Amounts owed by subsidiary undertakings	-	1,149
	<u>49,442</u>	<u>54,398</u>
14. CREDITORS	<u>2002</u> £000	<u>2001</u> £000
Amounts falling due within one year:		
Bank overdrafts	23,086	64,105
Obligations under finance leases payable in less than one year	818	760
Trade creditors	119,641	82,738
Amounts owed to parent company	112,184	120,537
Amounts owed to fellow subsidiary undertakings	2,617	4,597
Amounts owed to joint ventures	654	-
Corporation tax	2,628	-
Other taxation and social security	24,894	21,810
Other creditors	14,503	12,259
Accruals and deferred income	30,698	39,842
	<u>331,723</u>	<u>346,648</u>
Amounts falling due after one year:		
Obligations under finance leases payable between two and five years	<u>1,181</u>	<u>1,999</u>

COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2 FEBRUARY 2002****15. PROVISIONS FOR LIABILITIES AND CHARGES**

	<u>Deferred</u> <u>tax</u> £000	<u>Idle</u> <u>stores</u> £000	<u>Total</u> £000
At 3 February 2001 as previously reported	-	1,216	1,216
Prior year adjustment	5,513	-	5,513
	<hr/>	<hr/>	<hr/>
At 3 February 2001 restated	5,513	1,216	6,729
Utilised in the year	-	(175)	(175)
Created in the year	639	171	810
	<hr/>	<hr/>	<hr/>
At 2 February 2002	6,152	1,212	7,364

Within the idle property provision, the company has provided against future liabilities for all properties sublet at a shortfall and long term idle properties. The provision is based on the value of future cash outflows relating to rent, rates and service charges.

The group has adopted FRS 19 in the current financial year and has restated prior year figures accordingly. Deferred taxation is now stated on a full liability basis in accordance with FRS 19. Adoption has resulted in the recognition of deferred tax liabilities and assets in respect of timing differences incurred in prior years, and corresponding restatement of the prior year results. The tax charge for the year ended 2 February 2002 has been increased by £639,000 (2001: £1,291,000) as a result of the adoption.

Deferred taxation provided in the financial statements is as follows:

	<u>2002</u> £000	<u>As Restated</u> <u>2001</u> £000
Tax effects of timing differences due to:		
Accelerated capital allowances	6,344	5,693
Other timing differences	(192)	(180)
	<hr/>	<hr/>
At 2 February 2002	6,152	5,513

COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2 FEBRUARY 2002****16. OBLIGATIONS UNDER FINANCE LEASES**

Future minimum payments under finance leases are:	<u>2002</u> £000	<u>2001</u> £000
Within one year	937	937
In more than one year, but not more than five years	1,250	2,187
	<u>2,187</u>	<u>3,124</u>
Less finance charges included above	(188)	(365)
At 2 February 2002	<u>1,999</u>	<u>2,759</u>

17. CALLED-UP SHARE CAPITAL

	<u>2002</u> £000	<u>2001</u> £000
Authorised:		
50,000,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called-up and fully paid:		
20,000,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

18. PROFIT AND LOSS ACCOUNT

	<u>Total</u> £000
At 4 February 2001	
As previously reported	19,495
Prior year adjustment – FRS 19 (note 15)	(5,513)
As restated	<u>13,982</u>
Profit for the year	6,580
At 2 February 2002	<u>20,562</u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 2 FEBRUARY 2002

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>2002</u> <u>£000</u>	<u>As Restated</u> <u>2001</u> <u>£000</u>
Opening shareholders' funds as previously reported	39,495	39,503
Prior year adjustment	(5,513)	(4,222)
Opening equity shareholders' funds as restated	33,982	35,281
Retained profit / (loss) for the financial year	6,580	(1,299)
Closing equity shareholders' funds	<u>40,562</u>	<u>33,982</u>

20. CAPITAL COMMITMENTS

	<u>2002</u> <u>£000</u>	<u>2001</u> <u>£000</u>
Contracted but not provided	<u>1,961</u>	<u>1,463</u>

21. CONTINGENT LIABILITIES

On 1 February 2002, Comet Group PLC entered into a guarantee in favour of HM Customs & Excise for £1 million. A similar guarantee was entered into in the prior year for £1 million.

22. LEASE COMMITMENTS

	<u>Land and buildings</u>		<u>Other assets</u>	
	<u>2002</u> <u>£000</u>	<u>2001</u> <u>£000</u>	<u>2002</u> <u>£000</u>	<u>2001</u> <u>£000</u>
The company has annual commitments under non-cancellable operating leases as follows:				
Expiring within one year	86	520	1,338	1,027
Expiring between two and five years inclusive	2,986	2,335	2,752	2,671
Expiring in over five years	54,499	45,762	56	-
	<u>57,571</u>	<u>48,617</u>	<u>4,146</u>	<u>3,698</u>

COMET GROUP PLC

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23. PENSION COMMITMENTS

During the year the company made pension provisions in respect of its employees, either through the Kingfisher Pension Scheme, a defined benefits scheme, or the Kingfisher Retirement Trust, a defined contribution scheme. The pension charge for the period was £8,116,000 (2001 : £6,108,000).

Full particulars of the Kingfisher group schemes, and the transitional disclosures required by FRS 17 – Retirement Benefits, can be found in the financial statements of the ultimate parent company, Kingfisher plc.

24. DIRECTORS' INTERESTS

None of the directors has a beneficial interest in the loan stock of Kingfisher plc.

The interests of the directors holding office at 2 February 2002 in the shares of Kingfisher plc are as follows :

Ordinary Shares of 12.5p each

	<u>2002</u>	<u>2001</u>
R J Cissell	11,145	11,786

No other director held shares of Kingfisher plc

The interests of the directors holding office at 2 February 2002 in options for the shares of Kingfisher plc are as follows:

	<u>At 3.2.01 or</u> <u>date of</u> <u>appointment</u> (a)	<u>Options</u> <u>granted</u> (b)	<u>Options</u> <u>exercised</u>	<u>Options</u> <u>lapsed</u>	<u>At 2.2.02</u>
R J Cissell	235,950	110,071	-	-	346,021
G P McTague	132,786	-	-	-	132,786
S R Fox	92,686	65,345	-	2,340	155,691
P J Illston	54,314	45,470	-	2,654	97,130
J Bizot	59,851	48,528	-	4,623	103,756
T N Barry	89,816	54,118	-	-	143,934
N I Boston	-	49,347	-	-	49,347
H Harvey	102,052	53,507	-	-	155,559

- (a) Exercisable on varying dates through to 2010 at prices between 264.5p and 781p a share.
- (b) Exercisable on varying dates through to 2011 at prices between 226.5p and 278p a share.

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25. ULTIMATE PARENT COMPANY

The company's ultimate parent company and controlling party is Kingfisher plc, a company registered in England and Wales. Copies of the parent's consolidated financial statements may be obtained from the Secretary, Kingfisher plc, North West House, 119 Marylebone Road, London, NW1 5PX.