

COMET GROUP PLC

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 FEBRUARY 2003**

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COMET GROUP PLC

DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 1 February 2003.

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 after taxation amounted to £11,195,000 (2002 : £6,580,000). The directors recommend that no dividend be paid (2002 : £nil) and that the profit for the year be added to accumulated reserves.

During the year the company continued to grow core market share through a strategy of developing a more specialist value-added customer offer. Additional interactive destination stores were opened, together with further investment in the core estate. The directors expect a further improvement in performance in the current year.

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 (2002: 51 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.

EXTENDED WARRANTIES

The company sells extended warranties to customers. The market for extended warranties is currently being investigated by the Competition Commission.

COMET GROUP PLC

DIRECTORS' REPORT (Continued)

SEPARATION FROM KINGFISHER

As part of the electricals division of Kingfisher PLC the Company is being demerged from Kingfisher in the second quarter of 2003.

BOARD OF DIRECTORS

The Directors who held office during the period were:

R J Cissell	(Resigned 12 th February 2003)
G P McTague	(Resigned 31 st January 2003)
S R Fox	
P J Illston	
J Bizot	(Resigned 1 st September 2002)
T N Barry	
N I Boston	
H Harvey	

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

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 14th January 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



G K McDonald
Secretary
Hull

23rd May 2003

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 the most appropriate 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 1 February 2003. 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

23rd May 2003

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. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 1 February 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Leeds

23rd May 2003

COMET GROUP PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 1 FEBRUARY 2003

	Notes	<u>2003</u> £000	<u>2002</u> £000
Turnover	2	1,312,580	1,253,216
Cost of sales		(1,031,103)	(988,240)
Gross profit		281,477	264,976
Selling and distribution costs		(271,823)	(261,784)
Administrative expenses		(53,276)	(43,329)
Other operating income	3	73,744	56,530
Profit on ordinary activities before interest and taxation		30,122	16,393
Net interest payable	4	(7,813)	(6,764)
Profit on ordinary activities before taxation	5	22,309	9,629
Taxation	8	(11,114)	(3,049)
Retained profit for the year	18	11,195	6,580

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

	<u>2003</u> £000	<u>2002</u> £000
Statement of total recognised gains and losses		
Profit for the financial year	11,195	6,580
Total recognised gains for the year	11,195	6,580
Prior year adjustments - FRS 19	-	(5,513)
Total gains since last annual report	11,195	1,067

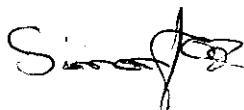
There is no difference between the profit on ordinary activities before taxation and the profit for the period stated above and their historical cost equivalents.

COMET GROUP PLC**BALANCE SHEET AS AT 1 FEBRUARY 2003**

	Notes	<u>2003</u> £000	As Restated (see note 1) <u>2002</u> £000
FIXED ASSETS			
Intangible assets	9	108	145
Tangible assets	10	113,890	124,538
Investments	11	100	200
		<u>114,098</u>	<u>124,883</u>
CURRENT ASSETS			
Stock	12	201,334	199,423
Debtors	13	62,057	49,442
Cash at bank and in hand		4,204	10,704
		<u>267,595</u>	<u>259,569</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	14	(317,103)	(335,345)
NET CURRENT LIABILITIES		<u>(49,508)</u>	<u>(75,776)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>64,590</u>	<u>49,107</u>
Creditors: Amounts falling due after one year	14	(5,304)	(1,181)
PROVISIONS FOR LIABILITIES AND CHARGES			
Provisions for liabilities and charges	15	(7,529)	(7,364)
NET ASSETS		<u><u>51,757</u></u>	<u><u>40,562</u></u>
CAPITAL AND RESERVES			
Called-up share capital	17	20,000	20,000
Profit and loss account	18	31,757	20,562
EQUITY SHAREHOLDERS' FUNDS	19	<u><u>51,757</u></u>	<u><u>40,562</u></u>

The financial statements on pages 5 to 21 were approved by the board of directors on 23rd May 2003 and were signed on its behalf by:

S R Fox, Director



N I Boston, Director



COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 1 FEBRUARY 2003**

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.

Turnover

Turnover represents retail sales and services excluding value added tax.

Depreciation

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

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 creditors. In earlier years these have been included in fixed assets and for the purpose of comparison the prior year has been restated as follows:

	Cost	Depreciation	NBV
	£000	£000	£000
As previously stated	227,204	106,288	120,916
Reallocation	<u>7,018</u>	<u>3,396</u>	<u>3,622</u>
As restated	<u>234,222</u>	<u>109,684</u>	<u>124,538</u>

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 1 FEBRUARY 2003**

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 leases 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. Permanent diminutions in value would be recognised immediately.

Stocks

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

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.

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 1 FEBRUARY 2003**

1. ACCOUNTING POLICIES (Continued)

Deferred taxation

Deferred tax is 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. Deferred tax is recognised on a non discounted basis.

Cashflow statement

As permitted by FRS 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 FRS 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 1 FEBRUARY 2003**

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>2003</u> £000	<u>2002</u> £000
Interest paid on rents and on tax	21	78
On amounts owed to parent company	7,736	6,725
Finance leases	119	177
	<u>7,876</u>	<u>6,980</u>
Less:		
Interest receivable	(40)	(152)
On amounts owed by parent company	(23)	(64)
	<u>7,813</u>	<u>6,764</u>

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COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 FEBRUARY 2003****5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<u>2003</u> £000	<u>2002</u> £000
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Rent receivable	(2,860)	(2,970)
Auditors' remuneration		
- Audit fees	88	87
- Non audit services	7	26
Operating leases		
- Land and buildings	63,235	57,222
- Plant and equipment	6,149	6,580
Depreciation		
- Owned assets	24,893	24,527
- Leased assets	655	655
Trademark amortisation	37	38
Loss / (Profit) on disposal of fixed assets	659	(72)
	<u> </u>	<u> </u>

6. EMPLOYEES

	<u>2003</u> £000	<u>2002</u> £000
Staff costs (including directors):		
Wages and salaries	156,275	146,575
Social security costs	11,289	11,274
Other pension costs (note 23)	8,709	8,116
	<u>176,273</u>	<u>165,965</u>

Average number of persons employed :

Stores	8,790	8,643
Distribution	1,000	1,041
Administration	992	1,023
	<u>10,782</u>	<u>10,707</u>

The equivalent number of employees
working full time would have been

<u>8,127</u>	<u>7,889</u>
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COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 FEBRUARY 2003**

7. DIRECTORS	<u>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Aggregate emoluments	1,596	1,702
Amounts receivable under long-term incentive schemes	365	331
Directors' remuneration includes in respect of the highest paid director: Aggregate amounts paid	<u>524</u>	<u>502</u>

None of the directors have received shares under long term incentive schemes.
Retirement benefits are accruing to 6 directors (2002: 8) under a defined benefits scheme.

An annual pension of £13,577 (2002: £11,702) had accrued to the highest paid director at 1 February 2003 under the group's defined benefit scheme.

8. TAXATION

(a) UK corporation tax charge / (credit) on profits for the period at 30%	<u>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Current tax	12,537	2,410
Adjustment in respect of prior period	<u>(1,492)</u>	<u>-</u>
Total current tax 8(b)	11,045	2,410
Deferred tax (see note 15)	<u>69</u>	<u>639</u>
Total tax charge for the period	<u>11,114</u>	<u>3,049</u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 1 FEBRUARY 2003

8. TAXATION (Continued)

(b) 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>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Profit on ordinary activities before taxation	<u>22,309</u>	<u>9,629</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2002: 30%)	6,693	2,889
Effects of:		
Timing differences provided for	41	(652)
Extended warranty settlement	5,000	-
Expenses not deductible for tax purposes	1,133	472
UK deductions	(330)	(299)
Adjustments relating to prior period corporation tax	<u>(1,492)</u>	<u>-</u>
Current corporation tax charge for the period	<u>11,045</u>	<u>2,410</u>

8(a)

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 1 FEBRUARY 2003**

		<u>Trademarks</u>	
		£000	
9.	INTANGIBLE ASSETS		
	Cost at 3 February 2002	190	
	Additions	-	
	At 1 February 2003	190	
	Amortisation at 3 February 2002	45	
	Charge for year	37	
	At 1 February 2003	82	
	Net book value at 1 February 2003	108	
	Net book value at 2 February 2002	145	
10.	TANGIBLE FIXED ASSETS		
	Short leasehold land and buildings	Fixtures, fittings and equipment	Computer equipment held on finance lease
	£000	£000	£000
	Cost (as restated, see note 1)		Total
			£000
	At 3 February 2002	10,059	220,890
	Additions	413	19,481
	Disposals	(2,571)	(40,674)
	At 1 February 2003	7,901	199,697
	Depreciation		
	At 3 February 2002	5,313	103,553
	Charge for year	1,012	23,881
	Disposals	(2,451)	(35,800)
	At 1 February 2003	3,874	91,634
	Net book value		
	At 1 February 2003	4,027	108,063
	At 2 February 2002 (as restated, see note 1)	4,746	117,337
		2,455	124,538

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 1 FEBRUARY 2003

11. INVESTMENTS

	<u>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Subsidiaries at cost	<u>100</u>	<u>200</u>

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

	<u>Nature of Business</u>	<u>Country of Registration</u>
Comet Financial Services Limited	Card Handling Services	England & Wales
Comet Radiovision Services Limited	Non-trading	England & Wales
I.T. Works Limited	Non-trading	England & Wales
Soundtwice 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>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Goods for resale	<u>201,334</u>	<u>199,423</u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 1 FEBRUARY 2003**

13. DEBTORS	<u>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Amounts receivable within one year:		
Trade debtors	39,644	39,452
Trade investments	-	10
Amounts owed by fellow subsidiary undertakings	2,512	1,689
Amounts owed by subsidiary undertakings	10,514	-
Other debtors	8	443
Prepayments and accrued income	9,379	7,687
Dividends receivable	-	161
	<u>62,057</u>	<u>49,442</u>
		<u>As restated</u> (See Note 1)
14. CREDITORS	<u>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Amounts falling due within one year:		
Bank overdrafts	56,760	23,086
Obligations under finance leases payable in less than one year	876	818
Trade creditors	110,865	119,641
Amounts owed to parent company	67,289	112,184
Amounts owed to fellow subsidiary undertakings	1,012	2,617
Amounts owed to joint ventures	665	654
Corporation tax	3,261	2,628
Other taxation and social security	23,055	24,894
Other creditors	18,048	14,503
Accruals and deferred income	35,272	34,320
	<u>317,103</u>	<u>335,345</u>
Amounts falling due after one year:		
Obligations under finance leases payable between two and five years	304	1,181
Corporation tax	5,000	-
	<u>5,304</u>	<u>1,181</u>

COMET GROUP PLC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 1 FEBRUARY 2003**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 2 February 2002	6,152	1,212	7,364
Utilised in the year	-	(132)	(132)
Created in the year	69	228	297
At 1 February 2003	<u>6,221</u>	<u>1,308</u>	<u>7,529</u>

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, and will be utilised when the leases expire.

Deferred taxation provided in the financial statements is as follows:

	<u>2003</u> £000	<u>2002</u> £000
Tax effects of timing differences due to:		
Accelerated capital allowances	6,646	6,344
Other timing differences	(425)	(192)
At 1 February 2003	<u>6,221</u>	<u>6,152</u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 FEBRUARY 2003

16. OBLIGATIONS UNDER FINANCE LEASES

Future minimum payments under finance leases are:	<u>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
Within one year	937	937
In more than one year, but not more than five years	313	1,250
	<u>1,250</u>	<u>2,187</u>
Less finance charges included above	<u>(70)</u>	<u>(188)</u>
At 1 February 2003	<u>1,180</u>	<u>1,999</u>

17. CALLED-UP SHARE CAPITAL

	<u>2003</u> <u>£000</u>	<u>2002</u> <u>£000</u>
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> <u>£000</u>
At 3 February 2002	20,562
Profit for the year	<u>11,195</u>
At 1 February 2003	<u>31,757</u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 1 FEBRUARY 2003

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>2003</u> £000	<u>2002</u> £000
Opening equity shareholders' funds	40,562	33,982
Retained profit for the financial year	11,195	6,580
Closing equity shareholders' funds	<u>51,757</u>	<u>40,562</u>

20. CAPITAL COMMITMENTS

	<u>2003</u> £000	<u>2002</u> £000
Contracted but not provided	<u>550</u>	<u>1,961</u>

21. CONTINGENT LIABILITIES

On 1 February 2003, Comet Group PLC entered into a guarantee in favour of HM Customs & Excise for £1 million. (2002 : £1million)

22. LEASE COMMITMENTS

	<u>Land and buildings</u>		<u>Other assets</u>	
The company has annual commitments under non-cancellable operating leases as follows:	<u>2003</u> £000	<u>2002</u> £000	<u>2003</u> £000	<u>2002</u> £000
Expiring within one year	329	86	1,663	1,338
Expiring between two and five years inclusive	3,453	2,986	5,365	2,752
Expiring in over five years	<u>59,797</u>	<u>54,499</u>	<u>-</u>	<u>56</u>
	<u>63,579</u>	<u>57,571</u>	<u>7,028</u>	<u>4,146</u>

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 1 FEBRUARY 2003**

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 £8,709,000 (2002 : £8,116,000).

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 1 February 2003 in the shares of Kingfisher plc are as follows :

Ordinary Shares of 13.75p each

	<u>2003</u>	<u>2002</u>
R J Cissell	22,290	11,145

No other director held shares in Kingfisher plc

The interests of the directors holding office at 1 February 2003 in options for the shares of Kingfisher plc are as follows:

	<u>At 3.2.02 or</u> <u>date of</u> <u>appointment</u> <u>(a)</u>	<u>Options</u> <u>granted</u> <u>(b)</u>	<u>Options</u> <u>exercised</u>	<u>Options</u> <u>lapsed</u>	<u>Rights</u> <u>issue</u> <u>adjustment</u> <u>(c)</u>	<u>At 1.2.03</u>
R J Cissell	346,021	132,771	-	8,634	125,108	595,266
S R Fox	155,691	67,906	-	-	57,654	281,251
P J Illston	97,130	45,891	-	-	36,333	179,354
T N Barry	143,934	74,668	-	8,634	53,016	262,984
N I Boston	49,347	46,604	-	-	20,930	116,881
H Harvey	155,559	67,995	-	4,897	57,311	275,968

- (a) Exercisable on varying dates through to 2011 at prices between 209.93p and 589.8p a share.
- (b) Exercisable on varying dates through to 2012 at prices between 157.0p and 290.1p a share.
- (c) Following the one-for-one rights issue of 1,293,642,792 new Kingfisher shares at 155p per share in connection with the offer for Castorama Dubois Investissements S.C.A., the exercise price and the number of shares under option have been adjusted to maintain the option holders' interests.

COMET GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS
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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, 3 Sheldon Square, Paddington, London W2 6PX