

REGISTRATION NO. 3140767

LEC COMMUNICATIONS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003



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LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
COMPANY INFORMATION

Directors	M.R. Lane D.J. Earl P. Cox D.P. Ruback B. Emsell
Secretary	D.P. Ruback
Registration No.	3140767 - Registered in England and Wales
Registered Office	5th Floor, 71 Kingsway, London, WC2B 6ST.
Auditors	Wilson Wright & Co., Chartered Accountants, 71 Kingsway, London, WC2B 6ST.
Bankers	Barclays Bank plc.

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES

CONTENTS

	Page
Report of the Directors	1
Report of the Independent Auditors	3
Consolidated Profit and Loss Account	4
<i>Consolidated Balance Sheet</i>	5
Balance Sheet	6
Consolidated Statement of Total Recognised Gains and Losses	7
Reconciliation of Movements in Shareholders Funds	7
Consolidated Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Accounts	10

LEC COMMUNICATIONS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2003

The directors submit their annual report and the financial statements for the year ended 31 December 2003.

Principal Activity and Review of Business

The Group's principal activity is the operation of advertising agencies and the provision of marketing services.

A summary of the results of the year's trading is given on page 4 of the financial statements.

The directors consider the operating profit and the state of affairs of the Group to be satisfactory.

Dividend

No interim dividend was paid (2002 - £300,000). No final dividend is proposed (2002 - £nil).

Subsequent Events and Future Developments

There have not been any important post balance sheet events nor are there any major plans for future development.

Directors

The directors who held office during the year and their beneficial interests in the issued share capital held at the beginning and at the end of the year, were as follows:

	Ordinary shares of £1 each	
	31.12.2003	1.1.2003
M.R. Lane	2,250	2,250
D.J. Earl	2,250	2,250
P. Cox	2,250	2,250
D.P. Ruback	-	-
B. Emsell	-	-

Directors' Responsibilities

The directors are obliged under company law to prepare financial statements for each financial year.

The financial statements, of which the form and content is prescribed by the Companies Act 1985, must give a true and fair view of the state of affairs of the Company and of the Group at the end of the financial year, and of the profit or loss for that period, and they must comply with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements. The directors must prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business. The directors are also responsible for the adoption of suitable accounting policies, their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements.

**LEC COMMUNICATIONS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2003**

Directors' Responsibilities (continued)


The directors confirm that the above requirements have been complied with in the financial statements.

In addition, the directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the Company and of the Group and to prevent and detect fraud or any other irregularities.

Auditors

The auditors, Wilson Wright & Co., will be re-appointed in accordance with Section 385(2) of the Companies Act 1985.

BY ORDER OF THE BOARD


D.P. Ruback
SECRETARY

Date:

21/5/04

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LEC COMMUNICATIONS LIMITED

We have audited the financial statements of LEC Communications Limited on pages 4 to 17 for the year ended 31 December 2003 which have been prepared in accordance with the accounting policies set out on page 10.

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 the Directors and Auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable 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.

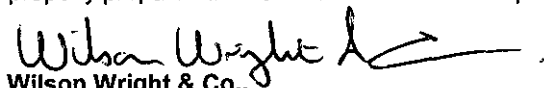
Basis of Audit Opinion

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 group'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 affairs of the company and of the group at 31 December 2003 and of the group profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Wilson Wright & Co.,
Chartered Accountants
and Registered Auditors,
71 Kingsway
London, WC2B 6ST.

DATE: 17 June 2004

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003	2002
		£	£
Turnover	2	5,352,684	6,915,942
Cost of sales		<u>3,523,369</u>	<u>4,497,962</u>
Gross Profit		1,829,315	2,417,980
Distribution and marketing costs		288,187	343,805
Administrative and establishment expenses		<u>1,345,306</u>	<u>1,485,980</u>
		<u>1,633,493</u>	<u>1,829,785</u>
Operating Profit	3	195,822	588,195
Loss on Part Disposal of Subsidiary Undertaking		<u>10,151</u>	<u>-</u>
		185,671	588,195
Interest	7	<u>13,298</u>	<u>22,986</u>
Profit on Ordinary Activities before Taxation		198,969	611,181
Taxation	8	<u>74,500</u>	<u>203,051</u>
Profit on Ordinary Activities after Taxation		124,469	408,130
Equity minority interests	16	<u>2,047</u>	<u>47,030</u>
Profit for the Financial Year	4	122,422	361,100
Dividends	9	<u>-</u>	<u>300,000</u>
Retained Profit for the Financial Year	15	<u>122,422</u>	<u>61,100</u>

The results for both years reflect the continuing operations of the Group.

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2003

	Notes	2003		2002	
		£	£	£	£
Fixed Assets					
Tangible assets	10		57,211		117,625
Investments	11		<u>19,253</u>		<u>-</u>
			76,464		117,625
Current Assets					
Debtors	12	1,259,034		1,078,324	
Cash at bank		<u>1,008,209</u>		<u>1,267,239</u>	
		2,267,243		2,345,563	
Current Liabilities					
Creditors: amounts falling due within one year	13	<u>1,004,961</u>		<u>1,209,362</u>	
Net Current Assets			<u>1,262,282</u>		<u>1,136,201</u>
Total Assets less Current Liabilities			<u><u>1,338,746</u></u>		<u><u>1,253,826</u></u>
Capital and Reserves					
Called up share capital	14		9,000		9,000
Profit and loss account	15		<u>1,283,290</u>		<u>1,160,868</u>
Equity Shareholders' Funds			1,292,290		1,169,868
Equity minority interests	16		<u>46,456</u>		<u>83,958</u>
			<u><u>1,338,746</u></u>		<u><u>1,253,826</u></u>

Approved by the Board

Director: M.R.Lane



Date:

21/5/04

LEC COMMUNICATIONS LIMITED
BALANCE SHEET AT 31 DECEMBER 2003

	Notes	2003		2002	
		£	£	£	£
Fixed Assets					
Tangible assets	10		454		6,919
Investments	11		<u>9,325</u>		<u>9,378</u>
			9,779		16,297
Current Assets					
Debtors	12	491,798		463,354	
Cash at bank		<u>58,927</u>		<u>196,886</u>	
		550,725		660,240	
Current Liabilities					
Creditors: amounts falling due within one year	13	<u>70,175</u>		<u>260,091</u>	
Net Current Assets			<u>480,550</u>		<u>400,149</u>
Total Assets less Current Liabilities			<u><u>490,329</u></u>		<u><u>416,446</u></u>
Capital and Reserves					
Called up share capital	14		9,000		9,000
Profit and loss account			<u>481,329</u>		<u>407,446</u>
Equity Shareholders' Funds			<u><u>490,329</u></u>		<u><u>416,446</u></u>

Approved by the Board

Director: M.R. Lane



Date: 21/5/04

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2003

	2003		2002	
	£	£	£	£
Profit for the financial year		122,422		361,100
Subsidiary undertaking's purchase of own shares	-	(25,000)		
Less: Attributable to minority interest	-	23,007		
		-		(1,993)
Total Gains and Losses Recognised since last Annual Report		<u>122,422</u>		<u>359,107</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2003

	2003		2002	
	£	£	£	£
Shareholders' funds at 1 January 2003		1,169,868		1,110,761
Total gains and losses recognised since last Annual Report		<u>122,422</u>		<u>359,107</u>
		1,292,290		1,469,868
Dividends		-		(300,000)
Shareholders' Funds at 31 December 2003		<u>1,292,290</u>		<u>1,169,868</u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2003

	2003	2002
£	£	£
Net cash inflow from operating activities	63,319	259,400
Returns on investments and servicing of finance		
Interest received	16,664	23,132
Interest paid	-	(146)
Dividend paid to minority	<u>(22,500)</u>	<u>(15,000)</u>
Net cash outflow/inflow from returns on investments and servicing of finance	(5,836)	7,986
Taxation	(197,944)	(84,963)
Capital expenditure		
Purchase of tangible fixed assets	(11,469)	(41,485)
Receipts from sales of tangible fixed assets	<u>12,490</u>	<u>3,500</u>
Net Cash Inflow/Outflow from Capital Expenditure	1,021	(37,985)
Acquisitions and Disposals		
Cash at bank and in hand less proceeds relating to part disposal of Pathfinder ICS Limited	(19,590)	-
Equity Dividends Paid	<u>(100,000)</u>	<u>(300,000)</u>
Net Cash Outflow before financing	(259,030)	(155,562)
Financing		
Payment to reacquire shares in subsidiary undertaking	-	(25,000)
Decrease in cash	<u><u>(259,030)</u></u>	<u><u>(180,562)</u></u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2003

1 Reconciliation of operating profit to net cash inflow from operating activities

	2003	2002
	£	£
Operating profit	195,822	588,195
Depreciation	59,394	85,376
Increase in debtors	(271,811)	(86,435)
Decrease/increase in creditors	79,914	(327,736)
Net cash inflow from operating activities	63,319	259,400

2 Analysis of net funds	1.1.2003	Cash Flow	31.12.2003
	£	£	£
Cash at bank	<u>1,267,239</u>	<u>(259,030)</u>	<u>1,008,209</u>

3 Reconciliation of net cash flow to movement in net funds

	2003	2002
	£	£
Decrease in cash in the year	(259,030)	(180,562)
Opening net funds	<u>1,267,239</u>	<u>1,447,801</u>
Closing net funds	<u>1,008,209</u>	<u>1,267,239</u>

4 Part Disposal of Pathfinder ICS Limited (See note 11.2)

Net assets disposed of:	£
Debtors	106,600
Cash at bank and in hand	19,643
<u>Less: Liabilities</u>	<u>(68,487)</u>
	57,756
<u>Less: Attributable to minority</u>	<u>(28,299)</u>
	29,457
Loss on part disposal	<u>(10,151)</u>
	<u>19,306</u>
Satisfied by:	
Cash	53
Addition to investment in associated undertaking	<u>19,253</u>
	<u>19,306</u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

1.2 Basis of consolidation

The Group financial statements include the audited financial statements of the Company and of its subsidiary undertakings, together with the group's share of the results of associated undertakings drawn up to 31 December 2003. Profits or losses on intra-group transactions are eliminated in full.

The results of the subsidiaries are consolidated from their effective date of acquisition until their effective date of disposal.

1.3 Turnover

Turnover represents net invoiced fees and recharged expenses, excluding value added tax.

1.4 Investments

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

1.5 Tangible fixed assets

Depreciation is provided on a straight line basis at the following annual rates in order to write off each asset over its estimated useful life:

<i>Furniture, fixtures and equipment</i>	<i>- 20% / 33 1/3%</i>
<i>Motor vehicles</i>	<i>- 25%</i>

1.6 Deferred taxation

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. Deferred tax assets are recognised when it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax balances are not discounted.

1.7 Operating leases

Rentals payable under operating leases are charged to the profit and loss account as incurred.

1.8 Pensions

The Group contributes to a defined contribution pension scheme. The contributions are charged to the profit and loss account in the year to which they relate.

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

2	Turnover	2003	2002
		£	£

Turnover is attributable to the principal activity of the group.

An analysis of turnover is as follows:

United Kingdom	5,023,318	6,464,891
Overseas	<u>329,366</u>	<u>451,051</u>
	<u>5,352,684</u>	<u>6,915,942</u>

3	Operating Profit	2003	2002
		£	£

The operating profit is stated after charging:

Depreciation of tangible fixed assets	59,394	85,376
Auditors' remuneration - audit	14,250	15,000
- other services	41,317	37,463
Operating lease rentals - land and buildings	242,205	235,510
- other	<u>74,028</u>	<u>68,014</u>

4 Profit for the Financial Year

The Company has taken advantage of Section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The Group profit for the financial year includes a profit of £73,883 (2002 - £253,955) which is dealt with in the financial statements of the Company.

5	Employees (including directors)	2003	2002
		£	£
	Salaries	2,147,392	2,476,662
	Social security costs	244,859	271,104
	Other pension costs	63,570	35,950
		<u>2,455,821</u>	<u>2,783,716</u>

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

	Number	Number
Cost of sales	44	49
Administrative and establishment	<u>6</u>	<u>6</u>
	<u>50</u>	<u>55</u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

6 Directors' Emoluments	2003	2002
	£	£
Emoluments	402,274	484,255
Pension contributions to money purchase scheme	63,570	35,950
	<u>465,844</u>	<u>520,205</u>

Retirement benefits are accruing for one director under a money purchase pension scheme

	2003	2002
	£	£
The amounts set out above include remuneration in respect of the highest paid director as follows:		
Emoluments	<u>112,784</u>	<u>149,151</u>

7 Interest	2003	2002
	£	£
Interest receivable	16,664	23,132
Interest payable	(3,366)	(146)
	<u>13,298</u>	<u>22,986</u>

8 Taxation	2003	2002
	£	£
UK corporation tax	74,500	196,756
Adjustment to previous years	-	17,495
Current tax charge	74,500	214,251
Deferred taxation	-	(11,200)
	<u>74,500</u>	<u>203,051</u>

Taxation Reconciliation

Profit on ordinary activities before taxation	<u>198,969</u>	<u>611,181</u>
Taxation at the standard UK corporation tax rate of 30%	<u>59,691</u>	<u>183,354</u>
Effects of:		
Non-deductible expenses	11,476	15,656
Depreciation in excess of capital allowances	4,793	7,247
Unutilised losses carried forward	8,550	-
Adjustment to previous years	-	17,495
Effects of small company and marginal tax rates	(11,294)	(7,436)
Other differences	1,284	(2,065)
	<u>14,809</u>	<u>30,897</u>
Current Tax	<u>74,500</u>	<u>214,251</u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

9	Dividends	2003	2002
		£	£
	Dividends on ordinary shares		
	First Interim dividend		
	'A' Shares	-	150,000
	'B' Shares	-	50,000
	Second Interim dividend		
	'A' Shares	-	75,000
	'B' Shares	-	25,000
		<u>-</u>	<u>300,000</u>

10	Tangible Fixed Assets	Furniture, Fixtures and Equipment	Motor Vehicles	Total
10.1	Group	£	£	£
	Cost			
	At 1 January 2003	458,914	44,202	503,116
	Additions	11,469	-	11,469
	Disposals	<u>(82,924)</u>	<u>(33,299)</u>	<u>(116,223)</u>
	At 31 December 2003	<u>387,459</u>	<u>10,903</u>	<u>398,362</u>
	Depreciation			
	At 1 January 2003	351,534	33,957	385,491
	Charge for the year	61,664	2,437	64,101
	Disposals	<u>(82,496)</u>	<u>(25,945)</u>	<u>(108,441)</u>
	At 31 December 2003	<u>330,702</u>	<u>10,449</u>	<u>341,151</u>
	Net book values			
	At 31 December 2003	<u>56,757</u>	<u>454</u>	<u>57,211</u>
	At 31 December 2002	<u>107,380</u>	<u>10,245</u>	<u>117,625</u>

10.2	Company	Motor Vehicles
		£
	Cost	
	At 1 January 2003	30,898
	Disposals	<u>(19,995)</u>
	At 31 December 2003	<u>10,903</u>
	Depreciation	
	At 1 January 2003	23,979
	Charge for the year	1,883
	Disposals	<u>(15,413)</u>
	At 31 December 2003	<u>10,449</u>
	Net book values	
	At 31 December 2003	<u>454</u>
	At 31 December 2002	<u>6,919</u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

11	Fixed Asset Investments	Interest in Associated Undertaking
		£
11.1	Group	
	Addition and at 31 December 2003	<u>19,253</u>

	Shares in Group Undertakings	Shares in Associated Undertaking	Total
	£	£	£
11.2 Company			
Cost			
At 1 January 2003	9,378	-	9,378
Part disposal	(53)	-	(53)
Reclassification on part disposal	<u>(100)</u>	<u>100</u>	<u>-</u>
At 31 December 2002	9,225	100	9,325

During the year, the Company reduced its holding in Pathfinder ICS Limited from 51% to 33%, consequently the investment has been reclassified from that of a subsidiary undertaking to an associated undertaking.

11.3 The company's subsidiaries and associate, all operating in the United Kingdom, are:-

Name of Company	Class	Shares Held	%	Nature of Business
Lane, Earl & Cox Advertising Limited	Ordinary	100	100	Advertising agents
Leavold Pollard Bardsley Limited	Ordinary 'A'	65	65	Advertising agents
Athena Medical PR Limited	Ordinary 'A'	85	85	Marketing services
Pathfinder MMI Limited	Ordinary 'A'	85	85	Non-trading
Pathfinder ICS Limited	Ordinary	33	33	Marketing services

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

12 Debtors	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Trade debtors	899,481	891,871	-	-
Amounts owed by subsidiary undertakings	-	-	474,369	453,453
Amounts owed by associated undertaking	3,708	-	3,708	-
Corporation tax recoverable	15,500	-	-	-
Other debtors	30,837	45,433	2,600	4,025
Prepayments and accrued income	309,508	141,020	11,121	5,876
	<u>1,259,034</u>	<u>1,078,324</u>	<u>491,798</u>	<u>463,354</u>

13 Creditors	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
<i>Amounts falling due within one year:</i>				
Trade creditors	324,553	252,115	9,881	2,256
Corporation tax	75,107	196,756	3,000	-
Social security and other taxes	299,448	235,135	39,194	48,619
Other creditors	-	32,052	-	4,042
Accruals and deferred income	305,853	393,304	18,100	105,174
Dividend	-	100,000	-	100,000
	<u>1,004,961</u>	<u>1,209,362</u>	<u>70,175</u>	<u>260,091</u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

14	Called Up Share Capital	2003	2002
		£	£
	Authorised		
	6,750 ordinary 'A' shares of £1 each	6,750	6,750
	3,250 ordinary 'B' shares of £1 each	3,250	3,250
		<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid

6,750 ordinary 'A' shares of £1 each	6,750	6,750
2,250 ordinary 'B' shares of £1 each	2,250	2,250
	<u>9,000</u>	<u>9,000</u>

All the ordinary shares in the company notwithstanding the division into separate classes, rank pari passu in all material respects except for the entitlement to participate in dividends.

15	Statement of Movements on Reserves	2003	2002
		£	£
	Profit and loss account		
	At 1 January 2003	1,160,868	1,101,761
	Retained profit for the financial year	122,422	61,100
	On subsidiary undertaking's purchase of own shares	-	(1,993)
	At 31 December 2003	<u>1,283,290</u>	<u>1,160,868</u>

16	Minority Interests	2003	2002
		£	£
	At 1 January 2003	83,958	82,288
	Retained profit for year	2,047	47,030
		86,005	129,318
	Attributable to minority on part disposal of Pathfinder ICS Limited	(28,299)	-
	On subsidiary undertaking's purchase of own shares	-	(23,007)
	Minority interest in share capital of new subsidiary	-	147
	Distribution to minority	(11,250)	(22,500)
	At 31 December 2003	<u>46,456</u>	<u>83,958</u>

LEC COMMUNICATIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

17 Financial Commitments

At 31 December 2003 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2003	2002	2003	2002
	£	£	£	£
Operating leases which expire:				
Within one year	91,857	63,500	4,733	14,756
Within two to five years	-	100,210	42,866	44,882
	<u>91,857</u>	<u>163,710</u>	<u>47,599</u>	<u>59,638</u>

The leases of land and buildings are subject to rent reviews.

18 Pension Costs

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £63,570 (2002 - £35,950).