

**THE HAWICK CASHMERE COMPANY
LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2002**



THE HAWICK CASHMERE COMPANY LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

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THE HAWICK CASHMERE COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

Lord Sanderson of Bowden
J A Thomson
C D R Sanderson
J M Didsbury
E E S Young
G E Thomson
G J B Algie
P H Reddihough
G R C Wood

Company Secretary

J M Didsbury

Registered Office

Trinity Mills
Duke Street
Hawick
TD9 9QA

Auditors

Chiene & Tait, CA
Registered Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

The Bank of Scotland PLC
228 Kilmarnock Road
Glasgow
G43 1TS

Solicitors

Shepherd and Wedderburn WS
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2ET

THE HAWICK CASHMERE COMPANY LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2002.

Principal activities and business review

The principal activity of the company during the year was the manufacture and sale of knitwear.

Trading proved to be extremely difficult in all markets in 2002, as the aftermath of 11 September affected business and consumer confidence worldwide. As a result, our profit before tax reduced substantially to £50,788. Margins were squeezed and it became increasingly apparent that it was no longer commercially viable to manufacture non-cashmere knitwear, apart from during our off-peak months and also the need to supply certain key cashmere accounts with some non-cashmere product. It was decided to significantly reduce non-cashmere production and as a direct consequence, 17 employees were declared redundant last Autumn. The Board feels that these actions have served to address issues regarding our product mix and also our cost base and we fully anticipate that 2003 will be a far more profitable year. There are further retail developments in 2003 because we also believe that control of our own retail distribution is a vital cornerstone of our future success. To this end, we are opening additional shops in Baden-Baden in May 2003 and St. Moritz in July 2003.

Results and dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2002 £	2001 £
Dividends paid on ordinary shares	<u>45,100</u>	<u>45,100</u>

The directors and their interests in shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2002	At 1 January 2002
Lord Sanderson of Bowden	23,400	16,000
J A Thomson	97,708	80,500
C D R Sanderson	74,800	65,000
J M Didsbury	2,500	2,000
E E S Young	6,000	6,000
G E Thomson	—	—
G J B Algie	—	—
P H Reddihough	80,500	80,500
G R C Wood	<u>70,000</u>	<u>70,000</u>

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 8 to 9, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

THE HAWICK CASHMERE COMPANY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2002

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. The directors 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.

Auditors

A resolution to re-appoint Chiene & Tait, CA as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors



J M Didsbury
Company Secretary

Approved by the directors on 25 APRIL 2003

THE HAWICK CASHMERE COMPANY LIMITED



INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on page 5 to 17, together with the financial statements of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of the directors and the auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on page 5 to 17 are properly prepared in accordance with those provisions.

CHIENE & TAIT, CA
Registered Auditors
61 Dublin Street
Edinburgh EH3 6NL

30 April, 2003

THE HAWICK CASHMERE COMPANY LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2002

	Note	2002 £	2001 £
Gross profit		1,492,746	1,472,378
Distribution costs		594,153	587,643
Administrative expenses		768,137	576,694
Operating profit	2	130,456	308,041
Interest receivable		347	3,066
Interest payable	5	(80,015)	(96,853)
Profit on ordinary activities before taxation		50,788	214,254
Tax on profit on ordinary activities	6	17,292	50,934
Profit on ordinary activities after taxation		33,496	163,320
Dividends	7	45,100	45,100
(Loss)/retained profit for the financial year		(11,604)	118,220

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 8 to 17 form part of these financial statements.

THE HAWICK CASHMERE COMPANY LIMITED

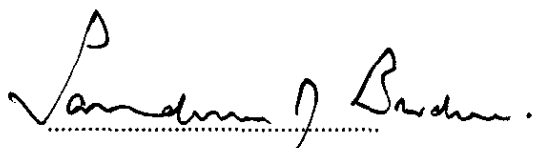
ABBREVIATED BALANCE SHEET

31 DECEMBER 2002

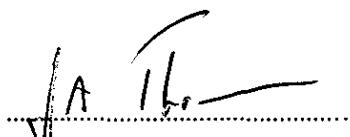
	Note	£	2002 £	2001 £
Fixed assets				
Tangible assets	8		1,154,184	1,133,236
Investments	9		9,141	9,091
			<u>1,163,325</u>	<u>1,142,327</u>
Current assets				
Stocks	10	1,694,007		1,727,919
Debtors	11	1,129,689		1,446,542
Cash at bank and in hand		295,270		34,105
			<u>3,118,966</u>	<u>3,208,566</u>
Creditors: amounts falling due within one year	12	<u>1,704,765</u>		<u>1,878,099</u>
Net current assets			<u>1,414,201</u>	<u>1,330,467</u>
Total assets less current liabilities			<u>2,577,526</u>	<u>2,472,794</u>
Creditors: amounts falling due after more than one year	13		<u>410,497</u>	<u>292,614</u>
			<u>2,167,029</u>	<u>2,180,180</u>
Provisions for liabilities and charges				
Deferred taxation	17		<u>120,749</u>	<u>122,296</u>
			<u>2,046,280</u>	<u>2,057,884</u>
Capital and reserves				
Called-up equity share capital	19		410,000	410,000
Share premium account	20		110,000	110,000
Other reserves	20		15,000	15,000
Profit and Loss Account	20		1,511,280	1,522,884
Shareholders' funds	20		<u>2,046,280</u>	<u>2,057,884</u>

These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 25 APRIL 2003 and are signed on their behalf by:



Lord Sanderson of Bowden



J A Thomson

The notes on pages 8 to 17 form part of these financial statements.

THE HAWICK CASHMERE COMPANY LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2002

	Note	£	2002 £	2001 £
Net cash inflow from operating activities	21		532,848	37,179
Returns on investments and servicing of finance				
Interest received		347		3,066
Interest paid		(63,948)		(85,256)
Interest element of hire purchase and finance lease		(16,067)		(11,597)
Net cash outflow from returns on investments and servicing of finance			(79,668)	(93,787)
Taxation			(57,747)	(26,696)
Capital expenditure				
Payments to acquire tangible fixed assets		(211,131)		(123,749)
Receipts from sale of fixed assets		898		29,050
Net cash outflow from capital expenditure			(210,233)	(94,699)
Acquisitions and disposals				
Acquisition of shares in group undertakings		(50)		-
Net cash outflow from acquisitions and disposals			(50)	-
Equity dividends paid			(45,100)	(45,100)
Cash inflow/(outflow) before financing			140,050	(223,103)
Financing				
Repayment of bank loans		(22,684)		(127,121)
Capital element of hire purchase and finance lease		(43,915)		(38,591)
Net inflow from long-term accruals		43,966		40,666
Net cash outflow from financing			(22,633)	(125,046)
Increase/(decrease) in cash	22		117,417	(348,149)

The notes on pages 8 to 17 form part of these financial statements.

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The company is exempt from preparing group accounts under section 248 of the Companies Act 1985. The financial statements therefore refer to information relating to the company only.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 4% straight line
Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 15% reducing balance and 25% straight line
Motor Vehicles	- 25% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress and finished goods

Work in progress and finished goods cost comprises direct materials, direct labour and an appropriate proportion of manufacturing fixed and variable overhead. The allocation of manufacturing fixed overhead has regard to forecasted normal production.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

1. Accounting policies *(continued)*

Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS 19.

Deferred tax is provided on the liability method to take account of timing differences between the treatment for certain items for accounts purposes and the treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Although there has been a change in accounting policy, no prior period adjustment is required as the effect is immaterial.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date, or where appropriate at the forward rate contract rate. For transactions in foreign currencies where no foreign currency bank accounts exists, these are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Government grants

Government grants received are treated as deferred income in the balance sheet and credited to the profit and loss account over the estimated useful life of the relevant fixed assets.

2. Operating profit

Operating profit is stated after charging/(crediting):

	2002 £	2001 £
Depreciation	184,804	168,157
Loss/(profit) on disposal of fixed assets	4,481	(8,916)
Auditors' remuneration		
- as auditors	9,200	8,750
Operating lease costs:		
Plant and equipment	6,752	6,934

3. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2002 No.	2001 No.
Production	145	147
Administrative	13	11
Retail	26	20
	184	178

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

3. Particulars of employees *(continued)*

The aggregate payroll costs of the above were:

	2002 £	2001 £
Wages and salaries	2,399,606	2,261,089
Social security costs	170,044	156,351
Other pension costs	91,525	68,570
	<u>2,661,175</u>	<u>2,486,010</u>

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2002 £	2001 £
Emoluments receivable	<u>460,693</u>	<u>484,584</u>

Emoluments of highest paid director:

	2002 £	2001 £
Total emoluments (excluding pension contributions):	<u>67,426</u>	<u>79,320</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002 No.	2001 No.
Money purchase schemes	<u>6</u>	<u>6</u>

5. Interest payable

	2002 £	2001 £
Interest payable on bank borrowing	63,948	85,256
Finance charges	16,067	11,597
	<u>80,015</u>	<u>96,853</u>

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

6. Tax on profit on ordinary activities

(a) Taxation

	2002 £	2001 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	17,748	56,656
Over/under provision in prior year	1,091	-
Total current tax	18,839	56,656
Deferred tax:		
Decrease in deferred tax provision	(1,547)	(5,722)
Tax on profit on ordinary activities	17,292	50,934

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19.25% (2001 - 30%).

	2002 £	2001 £
Profit on ordinary activities before taxation	50,788	214,254
Profit/(loss) on ordinary activities by rate of tax	9,777	64,276
Expenses not deductible for tax purposes	2,694	6,899
Depreciation in advance of capital allowances	8,512	(1,569)
Revenue expenditure capitalised	(3,235)	-
Marginal relief	-	(12,950)
Over provision in prior year	1,091	-
Total current tax (note 6(a))	18,839	56,656

7. Dividends

The following dividends have been paid in respect of the year:

	2002 £	2001 £
Dividend paid on ordinary shares	45,100	45,100

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

8. Tangible fixed assets

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1 January 2002	407,923	1,507,012	116,746	17,018	2,048,699
Additions	3,840	30,625	176,666	–	211,131
Disposals	–	(4,447)	(6,374)	(5,249)	(16,070)
At 31 December 2002	411,763	1,533,190	287,038	11,769	2,243,760
Depreciation					
At 1 January 2002	94,642	739,046	75,767	6,008	915,463
Charge for the year	15,406	119,104	47,351	2,943	184,804
On disposals	–	(2,713)	(3,931)	(4,047)	(10,691)
At 31 December 2002	110,048	855,437	119,187	4,904	1,089,576
Net book value					
At 31 December 2002	301,715	677,753	167,851	6,865	1,154,184
At 31 December 2001	313,281	767,966	40,979	11,010	1,133,236

Hire Purchase and finance lease agreements

Included within the net book value of £1,154,184 is £210,356 (2001 - £123,873) relating to assets held under hire purchase agreements, and £6,865 (2001 - £9,807) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £37,606 (2001 - £21,860), and £2,942 (2001 - £1,962) in respect of assets held under finance lease agreements.

9. Investments

Investment in group undertakings

	£
Cost	
At 1 January 2002	9,091
Additions	50
At 31 December 2002	9,141
Net book value	
At 31 December 2002	9,141
At 31 December 2001	9,091

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

9. Investments (continued)

The above investments are represented by:

100% of the issued share capital of Hawick Cashmere SARL, a company registered in Switzerland. It operates shops in Villars and Geneva, Switzerland.

50% of issued share capital of Lucien Pellat-Finet (Scotland) Limited, a company incorporated in Scotland. It operates from within Hawick Cashmere's own shop in Edinburgh. The shares in this company were acquired during the year.

	2002 £	2001 £
Aggregate capital and reserves		
Hawick Cashmere SARL	45,540	24,885
Lucien Pellat-Finet (Scotland) Limited	100	—
Profit or (loss) for the year	£	£
Hawick Cashmere SARL	18,337	16,431
Lucien Pellat-Finet (Scotland) Limited	—	—

10. Stocks

	2002 £	2001 £
Raw materials	227,833	332,113
Work in progress	419,891	387,329
Finished goods	1,046,283	1,008,477
	<u>1,694,007</u>	<u>1,727,919</u>

11. Debtors

	2002 £	2001 £
Trade debtors	805,086	1,179,674
Amounts owed by group undertakings	262,271	196,647
Other debtors	62,332	70,221
	<u>1,129,689</u>	<u>1,446,542</u>

12. Creditors: amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	1,032,224	934,343
Trade creditors	358,904	509,203
Other creditors including taxation and social security:		
Corporation tax	17,748	56,656
Other taxation and social security	52,261	38,346
Hire Purchase and finance lease agreements	52,882	29,611
Other creditors	26,442	8,024
Accruals and deferred income	164,304	301,916
	<u>1,704,765</u>	<u>1,878,099</u>

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

12. Creditors: amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	<u>1,032,224</u>	<u>934,343</u>

13. Creditors: amounts falling due after more than one year

	2002	2001
	£	£
Bank loans and overdrafts	177,580	154,397
Other creditors:		
Hire Purchase and finance lease agreements	<u>148,285</u>	<u>97,551</u>
	<u>325,865</u>	<u>251,948</u>
Accruals and deferred income	<u>84,632</u>	<u>40,666</u>
	<u>410,497</u>	<u>292,614</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	<u>177,580</u>	<u>154,397</u>

14. Bank loans

Creditors include bank loans which are due for repayment as follows:

	2002	2001
	£	£
In one year or less, or on demand	79,925	125,792
Between one and two years	84,380	56,952
Between two and five years	<u>93,199</u>	<u>97,444</u>
	<u>257,504</u>	<u>280,188</u>

	2002	2001
	£	£
Less: included in creditors: amounts falling due within one year (note 12)	<u>79,925</u>	<u>125,792</u>

The bank loans are repayable by instalments at 2% p.a. above the Bank of Scotland base rate.

16. Pensions

The company operates a defined contribution pensions scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

The pension charge for the period was £91,525 (2001: £68,570). At 31 December 2002 contributions of £4,454 (2001: £3,363) were payable to the fund and are included within creditors.

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

17. Deferred taxation

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	122,296	128,018
Profit and Loss Account movement arising during the year	(1,547)	(5,722)
Provision carried forward	<u>120,749</u>	<u>122,296</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002 £	2001 £
Excess of taxation allowances over depreciation on fixed assets	120,749	122,296
	<u>120,749</u>	<u>122,296</u>

15. Commitments under hire purchase and finance lease agreements

Future commitments under hire purchase and finance lease agreements are as follows:

	2002 £	2001 £
Amounts payable within 1 year	52,882	29,611
Amounts payable between 1 and 2 years	55,571	31,952
Amounts payable between 3 and 5 years	92,714	65,599
	<u>201,167</u>	<u>127,162</u>

18. Commitments under operating leases

At 31 December 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	2002		2001	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 1 year	7,200	—	—	—
Within 2 to 5 years	13,300	6,477	7,200	6,175
After more than 5 years	72,750	—	33,050	—
	<u>93,250</u>	<u>6,477</u>	<u>40,250</u>	<u>6,175</u>

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

19. Share capital

Authorised share capital:

	2002 £	2001 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2002 £	2001 £
Ordinary share capital	<u>410,000</u>	<u>410,000</u>

20. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total share- holders' funds £
Balance brought forward	410,000	110,000	15,000	1,522,884	2,057,884
Retained profit for the year	-	-	-	33,496	33,496
Dividends	-	-	-	(45,100)	(45,100)
Balance carried forward	<u>410,000</u>	<u>110,000</u>	<u>15,000</u>	<u>1,511,280</u>	<u>2,046,280</u>

21. Reconciliation of operating profit to Net cash inflow from operating activities

	2002 £	2001 £
Operating profit	130,456	308,041
Depreciation	184,804	168,157
Loss/(Profit) on disposal of fixed assets	4,481	(8,916)
Decrease in stocks	33,912	125,559
Decrease/(Increase) in debtors	316,853	(33,136)
Decrease in creditors	(137,658)	(522,526)
Net cash inflow from operating activities	<u>532,848</u>	<u>37,179</u>

THE HAWICK CASHMERE COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

22. Reconciliation of net cash flow to movement in net debt

	2002 £	2001 £
Increase/(Decrease) in cash in the period	117,417	(348,149)
Net cash outflow from bank loans	22,684	127,121
Cash outflow in respect of hire purchase and finance lease	43,915	38,591
Net cash (inflow) from long-term accruals	(43,966)	(40,666)
New finance leases	(117,920)	(162,078)
Change in net debt	22,130	(385,181)
Net debt at 1 January 2002	(1,222,463)	(837,282)
Net debt at 31 December 2002	(1,200,333)	(1,222,463)

23. Analysis of changes in net debt

	At 1 Jan 2002 £	Cash flows £	Other changes £	At 31 Dec 2002 £
Net cash:				
Cash in hand and at bank	34,105	261,165	—	295,270
Overdrafts	(808,551)	(143,748)	—	(952,299)
	(774,446)	117,417	—	(657,029)
Debt:				
Debt due within 1 year	(125,792)	45,867	—	(79,925)
Debt due after 1 year	(195,063)	(67,149)	—	(262,212)
Hire Purchase and finance lease agreements	(127,162)	43,915	(117,920)	(201,167)
	(448,017)	22,633	(117,920)	(543,304)
Net debt	(1,222,463)	140,050	(117,920)	(1,200,333)