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APPROVED PRESCRIPTION SERVICES
LIMITED

31st DECEMBER 1982



Approved Prescription Services Limited

Directors

S. North (Chairman)
K. B. Hemingway (Managing)
J. W. Hemingway (Secretary)
A. E. Pinder

Registered Office

Whitcliffe House, Whitcliffe Road, Cleckheaton, West Yorkshire BD19 3BZ

Report of the Directors

for the year to 31st December 1982

1. Results

The profit after taxation was
before providing an extraordinary item of

71501
39595

31906

The Directors recommend:

A dividend of 15p. per share costing
A transfer to Loan Redemption Reserve of

7500
2000

9500

22406
345612

To which is added the balance brought forward of

£3 680 18

2. Fixed Assets

The net book value of fixed assets decreased from £295369 at 31st December 1981 to £250682 at 31st December 1982.

In the opinion of the Directors the freehold property included at net book value of £60800 has a market value based on continuing existing use in excess of £130000.

3. Activities

The Company continues to manufacture and distribute pharmaceutical products.

4. Exports

The value of goods exported amounted to £61523 (1981 £44273).

5. Directors

Mr. J. W. Hemingway retires by rotation and seeks re-election.

Shareholdings (including wife's holdings) were:

	<u>1982</u>	<u>1981</u>
S. North	19496	19496
K. B. Hemingway	10500	10500
J. W. Hemingway	10500	10500
A. E. Pinder	None	None

6. Other Matters

The Company employs less than one hundred people. Charitable donations did not exceed £200 for the year.

7. Auditors

A resolution to re-appoint the auditors, Messrs. Rhodes & Co., Chartered Accountants, will be proposed at the Annual General Meeting.

By Order of the Board

S. North

Chairman

October 1983

Report of the Auditors

to the Members of

Approved Prescription Services Limited

We have audited the financial statements on pages 3 to 8 in accordance with approved auditing standards.

In our opinion the financial statements, which have been prepared under the historical convention give a true and fair view of the state of the Company's affairs at 31st December 1982 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981 in so far as the provisions of those Acts apply to these financial statements.

Bradford

October 1983

Rhodes & Co.

Pls.
Chartered Accountants

Approved Prescription Services Limited

Profit and Loss Account

Year to 31st December 1982

	<u>Refer to</u> <u>Notes</u>	<u>1982</u>	<u>1981</u>
<u>Turnover</u>	1(d)	<u>£1911866</u>	<u>£1667096</u>
<u>Net Profit before taxation</u>	2	98514	130364
after charging all expenses including:-			
Directors' remuneration	3	70664	62201
Depreciation	1(b) & 6	52900	44198
Audit fee		2750	2500
Interest payable	4	32494	25234
Motor leasing		-	5522
		<u>3656</u>	<u>2846</u>
<u>Interest receivable</u>			
<u>Taxation charge</u>	5	<u>27013</u>	<u>59162</u>
<u>Profit after taxation</u>		71501	71202
<u>Extraordinary item</u>	6	<u>39595</u>	-
		31906	71202
<u>Appropriations</u>			
Loan redemption reserve		2000	2000
Dividend proposed at 15p per share (1981 15p)		7500	7500
		<u>9500</u>	<u>9500</u>
		22406	61702
<u>Retained Profits</u>			
At 1st January 1982		<u>345612</u>	<u>283910</u>
At 31st December 1982		<u>£368018</u>	<u>£345612</u>

Approved Prescription Services Limited

Notes on Accounts

31st December 1982

1. Accounting Policies

(a) Stock

This is valued generally at cost (including production overheads) but includes an estimated valuation of containers in packed stock.

(b) Depreciation

Provided for on a straight line basis over the estimated useful lives of the assets as follows:-

Land and buildings	25 years
Plant and machinery	10 years
Office fixtures and fittings	12 years
Motor vehicles	5 years

(c) Deferred Taxation

Deferred taxation is provided at 38% (1981 40%) on timing differences, which in the opinion of the Directors may increase taxation liabilities in the foreseeable future.

(d) Turnover

Turnover is the total amount receivable for goods sold during the period, net of value added tax.

	<u>1982</u>	<u>1981</u>
2. <u>Net Profit</u> is stated after charging additional pension contributions	<u>£35000</u>	<u>£ -</u>
3. <u>Directors' Remuneration</u>		
Emoluments	52078	45995
Pension scheme contributions	18586	3110
Ex gratia payment to retiring director	-	13096
	<u>£70664</u>	<u>£62201</u>
The Chairman - fees & emoluments	5028	8529
ex gratia payment	-	13096
	<u>£ 5028</u>	<u>£21625</u>
Highest paid director	<u>£23233</u>	<u>£ -</u>
Other directors, whose emoluments fall within the range:-		
£ 0 - £ 5000	1	1
£15000 - £20000	-	2
£20000 - £25000	1	-
4. <u>Interest Payable</u>		
On loans, overdrafts and hire purchase contracts repayable within 5 years	30414	22834
On other loans	2080	2400
	<u>£32494</u>	<u>£25234</u>
5. <u>Taxation Charge (Credit)</u>		
Corporation tax payable	20500	53680
Transfer to (from) deferred taxation at 38% tax rate		
Accelerated capital allowances	6613	(2144)
Change of tax rate adjustment	(2320)	-
Advance corporation tax-current year	2571	6318
- prior year adjustment	(3214)	(2724)
Prior year adjustment	2863	4032
	<u>£27013</u>	<u>£59162</u>

Approved Prescription Services Limited

Notes on Accounts (continued)

31st December 1982

6. Extraordinary Item

£39595 has been written off the cost of a freehold building now held for sale, to reduce it to estimated net realisable value.

7. <u>Fixed Assets</u>	<u>Freehold Land & Buildings</u>	<u>Plant & Machinery</u>	<u>Office Fixtures & Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
Cost 1.1.82	164502	178900	21047	101494	465943
Additions	-	33433	9255	47729	90417
Disposals	-	-	-	(28266)	(28266)
Transfers	(72451)	-	-	-	(72451)
Cost 31.12.82	92051	212333	30302	120957	455643
Depreciation 1.1.82	30578	93263	13866	32867	170574
Charge for year	3529	18871	2295	24112	48807
Disposals	-	-	-	(11564)	(11564)
Transfers	(2856)	-	-	-	(2856)
Accumulated depreciation	31251	112134	16161	45415	204961
Net Book Value 31.12.82	£60800	£100199	£14141	£75542	£250682
Net Book Value 31.12.81	£133924	£85637	£ 7181	£68627	£295369

Transfers

A freehold building now held for sale has been transferred to current assets.

	<u>1982</u>	<u>1981</u>
<u>Depreciation</u>		
Charge for year as above	48807	44357
Regional development grant credited	(159)	(159)
Loss on disposals	4252	-
	£52900	£44198

8. Debtors and Prepayments

These include a freehold building for sale at estimated net realisable value

£30000	£ -
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9. Share Capital

Ordinary shares of £1 each
Authorised

£100000	£100000
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Issued and fully paid

£50000	£50000
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10. Capital Reserve

Loan redemption reserve at 1st January 1982
Transfer from Profit and Loss Account

17000	15000
2000	2000
£19000	£17000

11. Revenue Reserves

Retained profits
Government grants received less amounts credited
to Profit and Loss Account

368018	345612
3127	3287
£371145	£348899

Approved Prescription Services Limited

Notes on Accounts (continued)

31st December 1982

	<u>1982</u>	<u>1981</u>
12. <u>Deferred Taxation</u>		
Corporation tax deferred by:-		
Excess of the net book value of fixed assets over their written down value for tax purposes	50690	46397
Advance corporation tax	(6428)	(5785)
	<u>£44262</u>	<u>£40612</u>
13. <u>Loans</u>		
The Directors' loans are at 15%p.a. repayable on demand.		
Other loans comprise:-		
Loans from shareholders at 15%p.a. repayable on demand	24784	24784
Loan secured by a specific charge on the fixed and floating assets repayable by half yearly instalments of £1000	12000	14000
	<u>£36784</u>	<u>£38784</u>
14. <u>Capital Commitments</u>		
Committed but not provided for in these Accounts	<u>None</u>	<u>None</u>
Authorised by the directors but not yet committed	<u>None</u>	<u>None</u>
15. <u>Contingent Liabilities</u>	<u>None</u>	<u>None</u>

Approved Prescription Services Limited
Statement of Source and Application of Funds

	<u>1982</u>	<u>1981</u>
<u>Source of Funds</u>		
Profit before taxation	98514	130364
Item not involving the movement of cash - depreciation	52900	44198
	<hr/>	<hr/>
Total generated from operations	151414	174562
Funds from other sources:		
Proceeds of sale of fixed assets	12450	-
Directors' loans	6600	-
	<hr/>	<hr/>
	170464	174562
 <u>Application of Funds</u>		
Capital expenditure	90417	153841
Tax paid	19331	3505
Dividend paid	6000	5000
Loans repaid	2000	4215
	<hr/>	<hr/>
	117748	166561
	<hr/>	<hr/>
	£ 52716	£ 8001
 <u>Increase (Decrease) in Working Capital</u>		
Increase in stocks	163900	80900
Increase in debtors	246933	(21144)
Increase in creditors	(37013)	6553
Decrease in net liquid funds	(321104)	(58308)
	<hr/>	<hr/>
	£ 52716	£ 8001
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