

Directors' Report for the year ended 30th. June 1997

Directors Responsibilities

Company law requires us as directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 1985. We 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.

Directors

Geoffrey Douglas Garnham
Louise Eileen Garnham

Secretary

Louise Eileen Garnham

Registered Office

2, Market Place, Dereham.

Principal Activities

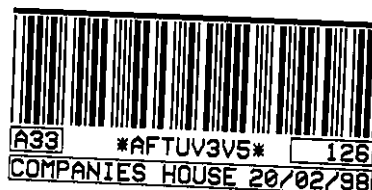
The Company's principal activity during the year was retailing commodities associated with the Pharmaceutical Industry and dispensing drugs under the National Health Service.

Donations

No political donations were made during the year. £220 was donated to charities.

Directors

The present directors are as shown above. There were no changes during the year.



J.S. Dent Limited.

Directors Report for the year ended 30th. June 1997, continued

Directors' Interests

The interests of the directors in the shares of the company, both at the beginning and end of the year, were as follows:

Beneficial Holding:	Ordinary shares
Geoffrey Douglas Garnham	2166
Louise Eileen Garnham	1000

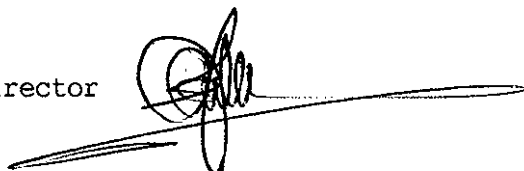
Auditors

The auditors, Messrs Smith & Ludkin, have indicated their willingness to accept re-appointment under Section 385 (2) of the Companies Act 1985.

This report has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 of the Companies Act 1985, on the grounds that, in the opinion of the directors, the company is entitled to these exemptions as a small company.

On behalf of the Board

Director



Date:

9. 12. 97

AUDITORS' REPORT TO THE MEMBERS OF

J.S. Dent Limited.

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 mis-statement, 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.

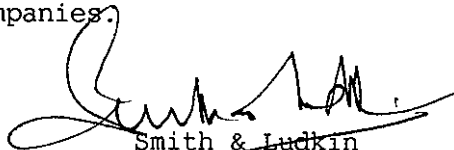
Qualified opinion arising from disagreement about accounting treatment.

No provision has been made for the depreciation of freehold property. This is not in accordance with the requirements of Statement of Standard Accounting Practice no.12 and of Schedule 4 to the Companies Act 1985.

Opinion

Except for the absence of the above provision, in our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30th. June 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, as applicable to small companies.

10th December 1997



Smith & Ludkin
Registered Auditors
Chartered Accountants
Canterbury House,
Dereham.

J.S. Dent Limited.

Profit and Loss Account for the year ended 30th. June 1997.

1996		Note	1997
-----		-----	-----
£			£
1043012	TURNOVER	2	1227543
825854	Cost of Sales		979690
-----			-----
217158	GROSS PROFIT		247853
221863	Net Operating Expenses		232927
-----			-----
(4705)	OPERATING PROFIT/(LOSS)	3	13926
26368	Profit on sale of fixed assets	4	-
-----			-----
21663	Profit on ordinary activities before interest		13926
	Interest Receivable		110
(4084)	Interest Payable	5	(5406)
-----			-----
17579	PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		8630
	Tax on profit on ordinary activities	6	8
-----			-----
17579	PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		8622
105911	Retained profits brought forward		123490
-----			-----
123490	RETAINED PROFITS CARRIED FORWARD		142112
=====			=====

The only recognised gain for the period is the profit for the period of £8630 (1996 - £17579).

There were no acquisitions in the period. The gift shop operation ceased in January 1997. Turnover includes £34418 in respect of discontinued operations.

The annexed notes form part of these financial statements.

J.S. Dent Limited.

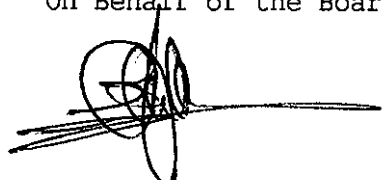
Balance Sheet as at 30th. June 1997.

1996		Note	1997	
£	£		£	£
	33578			29184
133001		8	116258	
184349		9	211725	
639			21998	
-----			-----	
317989			349981	
200207		10	226706	
-----			-----	
117782	NET CURRENT ASSETS			122275
-----			-----	
151360	TOTAL ASSETS LESS CURRENT LIABILITIES			152459
23870	CREDITORS - Amounts falling due after more than one year	11		16347
-----			-----	
127490	NET ASSETS			136112
=====			=====	
	CAPITAL & RESERVES			
4000	Share Capital	12		4000
123490	Profit and Loss Account			132112
-----			-----	
127490	SHAREHOLDERS' FUNDS	13		136112
=====			=====	

The directors have taken advantage of the special exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to these exemptions as a small company.

These financial statements were approved by the Board on 9.12.97

On Behalf of the Board



- DIRECTOR *W.E. Gahan*

- DIRECTOR

The annexed notes form part of these financial statements.

J.S. Dent Limited.

Notes to the Accounts for the year ended 30th. June 1997.

1. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

(a) Basis of preparation of financial statements.

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

(b) Depreciation and Amortisation.

Depreciation has been computed to write off the cost of the tangible fixed assets over their expected useful lives using the following rates:-

Motor Vehicles	25% per annum of net book value
Fixtures & Fittings	15% per annum of net book value

No depreciation is provided on Freehold Property.

(c) Stocks.

Stocks have been valued at the lower of cost and net realisable value.

(d) Leasing

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the Profit and Loss Account as and when paid.

(e) Deferred Taxation

No provision is made for deferred taxation.

(f) Exemption from requirement to prepare a Cash Flow Statement.

The company has taken advantage of the exemptions contained in Financial Reporting Standard No. 1, not to prepare a Cash Flow Statement on the grounds that it is a small company.

J.S. Dent Limited.

Notes to the Accounts continued for the year ended 30th. June 1997.

(g) Pension Scheme

The company operates a non-contributory pension scheme for the directors. It is a defined contribution scheme and contributions are charged to the profit and loss account as and when they accrue.

2. Turnover

The Company's turnover represents the value, excluding value added tax, of goods and services supplied to customers during the year.

3. Operating Profit/(Loss)

This is stated after charging:-

	1997	1996
	----	----
	£	£
Directors Emoluments	59500	56000
Directors Pension Scheme	15901	12433
Past Directors Pension	300	300
Auditors Remuneration	1600	1600
Depreciation of owned assets	3729	6291
Depreciation of assets held under H.P. agreements	1836	2385
Loss on Assets sold in year	-	528
Operating leases	2339	939
	=====	=====

4. Profit on sale of Fixed Assets.

Sale of Bungalow at 18 St. Hilda Close:-

Proceeds	-	30000
less Professional Fees	-	1210
	-----	-----
Net proceeds	-	28790
less original cost	-	2422
	-----	-----
Profit on sale of bungalow	-	26368
	=====	=====

J.S. Dent Limited.

Notes to the Accounts continued for the year ended 30th. June 1997.

	1997 £	1996 £
5. Interest Payable		

On Bank Overdraft repayable		
within five years	2320	85
Loan repayable within five years	252	480
On Bank Loan repayable after		
five years	1846	2190
Finance Charges - hire purchase		
contracts	707	965
- lease purchase		
contracts	281	364
	-----	-----
	5406	4084
	=====	=====
6. Tax on Profit on Ordinary Activities		

Current year:-		
Corporation Tax at 24% and 23%	8	-
	-----	-----
	8	-
	=====	=====
Unprovided deferred taxation due to		
accelerated capital allowances over		
corresponding depreciation	1487	1433
	=====	=====

J.S. Dent Limited.

Notes to the Accounts continued for the year ended 30th. June 1997

7. Tangible Fixed Assets

	Freehold Property	Improvements to Property	Motor Vehicles	Fixtures & Fittings	Total
Cost:	£	£	£	£	£
At 1st July 1996	2049	-	31782	60585	94416
Additions	-	1005	-	266	1271
Disposals	-	-	-	(500)	(500)
At 30th June 1997	2049	1005	31782	60351	95187
Depreciation:					
At 1st July 1996	-	-	23797	37041	60838
Charge for year	-	-	1996	3569	5565
Eliminated on Disposals	-	-	-	(400)	(400)
At 30th June 1997	-	-	25793	40210	66003
Net Book Value:					
At 1st July 1996	2049	-	7985	23544	33578
At 30th June 1997	2049	-	5989	20141	29184

Included in the total net book value of tangible fixed assets held at 30th. June 1997 was £6563 in respect of assets held under hire purchase contracts.

8. Stocks.

	1997	1996
	£	£
Goods for resale	116258	133001

9. Debtors - all receivable within one year

Trade debtors	196886	168100
Other debtors	14839	16249
	211725	184349

J.S. Dent Limited.

Notes to the Accounts continued for the year ended 30th. June 1997.

	1997	1996
	£	£
10. Creditors - amounts falling due within one year		
Bank Loans & Overdrafts	91761	68822
Other Loans	1115	1320
Trade Creditors	87767	86370
Social Security and PAYE	2642	3732
Other Creditors	39833	36870
Obligations under hire & lease purchase contracts	3580	3093
Corporation Tax	8	-
	226706	200207
	=====	=====

The bank overdraft is secured.

11. Creditors - Amounts falling due after one year.		
Obligations under hire & lease purchase contracts repayable within five years	1575	5156
Loan repayable within five years	-	1115
Bank Loan:		
Amount repayable over more than five years	14772	17599
	16347	23870
	=====	=====

12. Share Capital

	Authorised	Allotted, called up & fully paid
	£	£
4,000 ordinary shares of £1 each	4000	4000
	=====	=====

There have been no changes during the year.

13. Reconciliation of Movements in Shareholders' Funds

	£	£
Profit/(Loss) for the financial year	8622	17579
Opening Shareholders' Funds	127490	109911
Closing Shareholders' Funds	136112	127490
	=====	=====

J.S. Dent Limited.

Notes to the Accounts continued for the year ended 30th. June 1997.

14. Capital Commitments

There were no commitments for capital expenditure at the end of the year. (1996 nil).

15. Leasing Commitments

At 30th. June 1997, the company had annual commitments under non-cancellable operating leases as detailed below:-

	1997 Fixtures & Fittings £	1996 Fixtures & Fittings £
Operating leases which expire:-		
Within one year	1479	938
Within two to five years	-	-
	-----	----
	1479	938
	====	===

16. Contingent Liabilities

There were no contingent liabilities at the end of the year (1996 nil).

17. Pension Costs

The Company operates a non-contributory pension scheme for the directors. It is a defined contribution scheme and contributions are charged to the profit and loss account as they accrue. The charge for the year was £15901 (1996 £12433).

18. Past Directors Pension

The company pays a Past Directors Pension of £300 (1996 £300) which is charged to the profit and loss account.