

Beaumonts Health Stores Limited

Directors' report and financial statements

30 June 1995

Registered number 1711016



Beaumonts Health Stores Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Statement of total recognised gains and losses	7
Historical cost profits and losses	7
Reconciliation of movement in shareholders' funds	7
Notes	8-13

Beaumonts Health Stores Limited

Directors' report

The directors present their report and the audited financial statements for the year ended 30 June 1995.

Principal activity and business review

The principal activity of the company during the year was the retailing of healthfood products.

Results and dividends

The results for the year are set out on page 5. The directors do not recommend the payment of a dividend (*period ended 30 June 1994: £Nil*). The profit for the financial year of £33,500 is transferred to reserves.

Significant changes in fixed assets

The changes in fixed assets are set out in note 8 to the financial statements.

Directors and directors' interests

The directors who held office during the year were as follows:

AJ Lloyd
PE Lloyd (resigned 13 June 1995)
MA Ward (appointed 18 July 1994)
RG Turner
SW Buckell

In addition, JC Fellows was appointed as a director on 3 July 1995.

AJ Lloyd, MA Ward and RG Turner were directors of Lloyds Chemists plc, the ultimate holding company at the year end and their interests are disclosed in the financial statements of that company.

The interests of SW Buckell in the shares of Lloyds Chemists plc were as follows:

	Preference shares of 5p each		SAYE Share Option Scheme Ordinary shares of 5p each		Ordinary shares of 5p each		Executive Share Option Scheme Ordinary shares of 5p each	
	1995	1994	1995	1994	1995	1994	1995	1994
SW Buckell	608	608	7,560	7,560	5,621	3,621	119,800	109,800

On 11 November 1994 SW Buckell was granted Executive Share Options in respect of 10,000 ordinary shares.

No director had any interest in the share capital of any other group undertakings.

Beaumonts Health Stores Limited

Directors' report (*continued*)

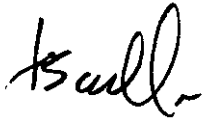
Liability insurance

Pursuant to Section 310 of the Companies Act 1985, the company maintains insurance for its directors and officers against the financial consequences of actions brought against them by outside parties for acts or omissions in the performance of their duties as directors or officers of the company.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming annual general meeting.

By Order of the Board



JM Sadler
Secretary

Britannia House
Centurion Park
Tamworth
Staffordshire
B77 5TZ

10 October 1995

Beaumonts Health Stores Limited

Statement of directors' responsibilities

The following statement, which should be read in conjunction with the report of the auditors set out on page 4, describes the responsibilities of the directors in relation to these financial statements.

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the year and of the profit or loss for the year.

The directors consider that in preparing the financial statements set out on pages 5 to 13, the Company has used appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. All applicable accounting standards have been followed and the financial statements have been prepared on a going concern basis.

The directors are responsible for ensuring that the Company maintains adequate accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



2 Cornwall Street
Birmingham B3 2DL

Auditors' report to the members of Beaumonts Health Stores Limited

We have audited the financial statements on pages 5 to 13.

Respective responsibilities of directors and auditors

As described on page 3 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Len

KPMG
Chartered Accountants
Registered Auditors

10 October 1995



Beaumonts Health Stores Limited

Profit and loss account for the year ended 30 June 1995

		Continuing operations	
	<i>Note</i>	Year ended 30 June 1995 £	Period ended 30 June 1994 £
Turnover	<i>1</i>	1,712,212	2,063,803
Cost of sales		(1,008,199)	(1,259,442)
Gross profit		704,013	804,361
Distribution costs		(598,154)	(514,976)
Administrative expenses		(68,936)	(451,050)
Other operating income		1,293	2,080
Operating profit/(loss)		38,216	(159,585)
Interest receivable	<i>3</i>	-	1,326
Interest payable	<i>4</i>	-	(5,967)
Profit/(loss) on ordinary activities before taxation	<i>5</i>	38,216	(164,226)
Tax on profit/(loss) on ordinary activities	<i>7</i>	(4,716)	4,328
Profit/(loss) on ordinary activities after taxation and retained profit/(loss) for the financial period	<i>14</i>	33,500	(159,898)

A statement of movements on reserves is given in note 14 to the financial statements.

Beaumonts Health Stores Limited

Balance sheet at 30 June 1995

	Note	£	1995 £	1994 £
Fixed assets				
Tangible assets	8		259,475	12,636
Current assets				
Stocks	9	236,272		231,699
Debtors	10	134,983		64,693
Cash at bank and in hand		1,365		1,239
		<u>372,620</u>		<u>297,631</u>
Creditors: amounts falling due within one year	11	<u>(740,558)</u>		<u>(452,230)</u>
Net current liabilities			<u>(367,938)</u>	<u>(154,599)</u>
Net liabilities			<u>(108,463)</u>	<u>(141,963)</u>
Capital and reserves				
Called up share capital	13		100	100
Goodwill write-off reserve	14		(36,400)	(47,025)
Profit and loss account	14		(72,163)	(95,038)
Total equity shareholders' funds			<u>(108,463)</u>	<u>(141,963)</u>

These financial statements were approved by the board of directors on 10 October 1995 and were signed on its behalf by:



JC Fellows
Director

Beaumonts Health Stores Limited

Statement of total recognised gains and losses *for the year ended 30 June 1995*

During the year ended 30 June 1995 there were no recognised gains or losses other than the profit for the financial year of £33,500 (*period ended 30 June 1994: loss of £159,898*).

Historical cost losses *for the year ended 30 June 1995*

There is no difference between the historical cost profit/(loss) on ordinary activities before taxation and that reported in the profit and loss account for the year ended 30 June 1995 or the period ended 30 June 1994.

Reconciliation of movements in shareholders' funds *for the year ended 30 June 1995*

	Year ended 30 June 1995 £	Period ended 30 June 1994 £
Profit/(loss) for the financial period	33,500	(159,898)
Net movement in shareholders' funds	33,500	(159,898)
Opening shareholders' funds at 1 July 1994	(141,963)	17,935
Closing shareholders' funds at 30 June 1995	(108,463)	(141,963)

Beaumonts Health Stores Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and on the basis of continuing support from Lloyds Chemists plc.

The company is a wholly owned subsidiary of Lloyds Chemists plc which is established under the law of a member state of the European Community. Lloyds Chemists plc publishes consolidated financial statements including a consolidated cash flow statement which includes the results of Beaumonts Health Stores Limited and consequently, in accordance with Financial Reporting Standard Number 1, no cash flow statement is included in these financial statements.

Turnover

Turnover represents cash and credit sales excluding value added tax. All sales were made in the United Kingdom.

Depreciation and amortisation

Depreciation is calculated so as to write off the gross book value less estimated residual value of tangible fixed assets over their estimated useful lives. The principal rates used are as follows:

Short leasehold property	- period of the lease
Motor vehicles	- 25% on a reducing balance
Fixtures, fittings and equipment	- 10%-20% on a straight line basis

Leased assets

Assets used by the company which have been funded through finance leases or similar hire purchase contracts are recorded as tangible fixed assets and are depreciated over their estimated useful lives. Future lease obligations, net of finance charges, are included in creditors. Rentals payable are apportioned between the finance element which is charged to the profit and loss account and the capital element which reduces outstanding lease obligations.

All other leases are operating leases and the rental charges are taken to the profit and loss account over the life of the lease.

Stocks

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

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Beaumonts Health Stores Limited

Notes (continued)

1 Accounting policies (continued)

Pensions

The company is part of the defined contribution pension scheme operated by the Lloyds Chemists Group. 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 company to the scheme. Details of the scheme are set out in the Lloyds Chemists plc group financial statements.

Goodwill

Goodwill arising on the acquisition of businesses is written off immediately to reserves.

2 Staff numbers and costs

The average number of persons employed by the company during the year, analysed by category, was as follows:

	Year ended 30 June 1995 Number	Period ended 30 June 1994 Number
Sales and administration	54	76
The aggregate payroll costs of these persons were as follows:	£	£
Wages and salaries	249,810	381,389
Social security costs	13,253	20,234
	263,063	401,623

3 Interest receivable

	Year ended 30 June 1995 £	Period ended 30 June 1994 £
Bank interest	-	1,326

Beaumonts Health Stores Limited

Notes (continued)

4 Interest payable

	Year ended 30 June 1995 £	Period ended 30 June 1994 £
Bank loans and overdrafts	-	5,853
Finance lease charges	-	14
	<u>-</u>	<u>5,967</u>

5 Profit/(loss) on ordinary activities before taxation

The profit/(loss) on ordinary activities before taxation is stated after charging/(crediting) the following:

	Year ended 30 June 1995 £	Period ended 30 June 1994 £
Directors' remuneration	-	62,048
Depreciation of owned tangible fixed assets	19,611	105,550
Payments under operating leases:		
Land and buildings	166,250	180,030
Auditors' remuneration	-	11,000
Rents receivable	-	(2,080)
	<u>-</u>	<u>(2,080)</u>

6 Directors' emoluments

Excluding pension contributions, the emoluments of the current chairman were £Nil and those of the highest paid director and previous chairman were £Nil (1994: £31,185). The emoluments of the directors were within the following ranges:

	Year ended 30 June 1995 Number	Period ended 30 June 1994 Number
£0 - £5,000	5	4
£30,001 - £35,000	-	2
	<u>-</u>	<u>2</u>

Beaumonts Health Stores Limited

Notes (continued)

7 Tax on profit/(loss) on ordinary activities

	Year ended 30 June 1995 £	Period ended 30 June 1994 £
Taxation based on the profit/(loss) for the financial period:		
Corporation tax at 33%	11,365	(4,328)
Adjustment in respect of prior years	(6,649)	-
	<u>4,716</u>	<u>(4,328)</u>

8 Tangible fixed assets

	Short leasehold properties £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation				
At 1 July 1994	62,444	41,227	126,937	230,608
Additions	-	-	267,103	267,103
Disposals	-	-	(679)	(679)
	<u>62,444</u>	<u>41,227</u>	<u>393,361</u>	<u>497,032</u>
At 30 June 1995				
Depreciation				
At 1 July 1994	62,444	28,591	126,937	217,972
Charge for the year	-	3,159	16,452	19,611
Disposals	-	-	(26)	(26)
	<u>62,444</u>	<u>31,750</u>	<u>143,363</u>	<u>237,557</u>
At 30 June 1995				
Net book value				
At 30 June 1995	-	9,477	249,998	259,475
	<u>-</u>	<u>9,477</u>	<u>249,998</u>	<u>259,475</u>
At 30 June 1994				
	-	12,636	-	12,636
	<u>-</u>	<u>12,636</u>	<u>-</u>	<u>12,636</u>

9 Stocks

	1995 £	1994 £
Goods for resale	<u>236,272</u>	<u>231,699</u>

Beaumonts Health Stores Limited

Notes (continued)

10 Debtors

	1995 £	1994 £
Corporation tax recoverable	10,577	-
Prepayments and accrued income	124,406	64,693
	<u>134,983</u>	<u>64,693</u>

11 Creditors: amounts falling due within one year

	1995 £	1994 £
Trade creditors	-	28,347
Amounts owed to parent undertakings and fellow subsidiary undertakings	711,428	423,883
Corporation tax	11,365	-
Accruals and deferred income	17,765	-
	<u>740,558</u>	<u>452,230</u>

12 Deferred taxation

No provision has been made for deferred taxation. The amounts unprovided, calculated under the liability method at 33%, are set out below:

	1995 £	1994 £
Accelerated capital allowances	11,086	(7,074)
Losses carried forward	(2,289)	(2,289)
	<u>8,797</u>	<u>(9,363)</u>

13 Share capital

	1995 £	1994 £
<i>Authorised:</i>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid:</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

Beaumonts Health Stores Limited

Notes (continued)

14 Reserves

	Goodwill write off reserve £	Profit and loss account £
At 1 July 1994	(47,025)	(95,038)
Retained profit for the financial year	-	33,500
Transfer to profit and loss account	10,625	(10,625)
	<hr/>	<hr/>
At 30 June 1995	(36,400)	(72,163)
	<hr/>	<hr/>

15 Commitments under operating leases

Annual commitments under non-cancellable operating leases in respect of land and buildings are as follows:

	1995 £	1994 £
Commitments which expire:		
Between two and five years	9,000	-
After five years	157,250	156,060
	<hr/>	<hr/>
	166,250	156,060
	<hr/>	<hr/>

16 Capital commitments

The company had no capital commitments at 30 June 1995 (1994: £Nil).

17 Ultimate holding company

The ultimate holding company is Lloyds Chemists plc, which is registered in England and Wales.

The results of the company are included within the group financial statements of Lloyds Chemists plc but are not included within any other group financial statements.

Copies of the group financial statements may be obtained from Britannia House, Centurion Park, Tamworth, Staffordshire, B77 5TZ.