

Statim Finance Limited

Annual report

for the nine months ended 31 December 1995

Registered no: 1865147



Statim Finance Limited

Annual report for the nine months ended 31 December 1995

	Pages
Directors' report	1 - 3
Report of the auditors	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 15

Directors' report for the period ended 31 December 1995

The directors present their report and the audited financial statements for the period ended 31 December 1995.

Principal activities

The profit and loss account is set out on page 5.

The principal activity of the company continues to be the arrangement of finance and loan guarantees for pharmacists.

Review of the business and future developments

Both the level of business and the period end financial position were satisfactory. The directors foresee no material change in the company's operations.

On 2 May 1995 a controlling interest in AAH plc was obtained by GEHE (UK) plc as a result of a public takeover offer. GEHE (UK) plc is a subsidiary of GEHE AG, a company registered in Germany and quoted on the Frankfurt stock exchange.

Dividends and transfers from reserves

The directors propose to pay a dividend of £130,000 (March 1995: £Nil) in respect of the period ended 31 December 1995. The retained profit of £132,648 for the financial period will be transferred to reserves.

Changes in fixed assets

The movements in fixed assets during the year are set out in note 8 of these financial statements.

Land and buildings

Freehold land and buildings are carried at historical cost less depreciation as set out in the accounting policies on page 7.

Directors and their interests

The directors who served during the period were:

G Greenhalgh
A C Orme
A W Revell (resigned 31 May 1995)
R C H Vizard
A L Wallis (resigned 31 May 1995)
S M Meister (appointed 24 July 1995)

At 31 March 1995, Mr Revell, Mr Wallis and Mr Greenhalgh were directors of AAH plc, and their interests in the share capital and share options schemes of that company are disclosed in the accounts of AAH plc.

The interests of the other directors in the share capital and share option schemes of AAH plc are as follows:-

AAH plc executive option scheme

	Number of ordinary shares of 25p each	
	Options held 31 December 1995	Options held 31 March 1995
A C Orme	-	15,000

AAH plc group savings related share option scheme

	Number of ordinary shares of 25p each			
	Options held 31 December 1995	Options granted	Options completed	Options held 31 March 1995
A C Orme	-	-	5,799	5,799
R C H Vizard	-	-	7,739	7,739

AAH plc ordinary shares

	Number of ordinary shares of 25p each	
	31 December 1995	31 March 1995
A C Orme	-	1,568
R C H Vizard	-	2,910

Employees

The policy of the directors is to encourage the involvement of all employees in the development and performance of the company.

The company pursues a policy of providing, wherever possible, the same employment opportunities to disabled persons as to others having regard to the aptitudes and abilities of each applicant. Efforts are made to enable employees who become disabled during employment to continue their careers with the company. Training, career development and promotion of disabled persons is, as far as possible, identical to that of other employees who are not disabled.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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 those financial statements, the directors are required to:

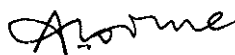
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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. They 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 reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

For and on behalf of the board



Director

14 March 1996

**Report of the auditors to the members of
Statim Finance Limited**

We have audited the financial statements on pages 5 to 15.

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.

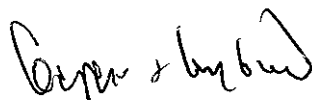
Basis of opinion

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 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 company's affairs at 31 December 1995 and of its profit for the nine months then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
14 March 1996

Profit and loss account for the nine months ended 31 December 1995

		9 Months ended 31 December 1995 £	12 Months ended 31 March 1995 £
	Notes		
Turnover	2	675,999	996,453
Cost of sales		-	-
Gross profit		675,999	996,453
Administration expenses		(365,904)	(1,130,466)
Operating profit / (loss)		310,095	(134,013)
Net interest receivable	6	74,399	60,986
Profit /(loss) on ordinary activities before taxation	5	384,494	(73,027)
Taxation	7	(121,846)	55,192
Profit / (loss) for the period after taxation		262,648	(17,835)
Dividends		(130,000)	-
Retained profit / (loss) for the period	13	132,648	(17,835)

All of the above results arise from continuing operations.

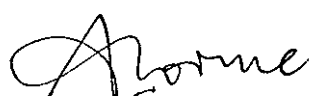
The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the period stated above, and their historical cost equivalents.

**Balance sheet
at 31 December 1995**

		31 December 1995 £	31 March 1995 £
	Notes		
Fixed assets			
Tangible fixed assets	8	33,469	17,144
Current assets			
Debtors	9	962,458	965,315
Cash at bank and in hand		647,242	187,479
Creditors: amounts falling due within one year	10	(557,147)	(215,585)
Net current assets		1,052,553	937,209
Total assets less current liabilities		1,086,022	954,353
Provisions for liabilities and charges			
Deferred taxation	11	-	(979)
Net assets		1,086,022	953,374
Capital and reserves			
Called up share capital	12	1,000,000	1,000,000
Profit and loss account	13	86,022	(46,626)
Equity shareholders' funds	14	1,086,022	953,374

The financial statements on pages 5 to 15 were approved by the board of directors on 14 March 1996 and were signed on its behalf by:



Director

Notes to the financial statements for the nine months ended 31 December 1995

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention. The principal accounting policies are described below and are consistent with those applied in the previous year.

Goodwill

Purchased goodwill, being the excess of the purchase consideration over the value of the net assets acquired, is written off on acquisition against reserves.

Tangible fixed assets

Tangible fixed assets are stated at their purchase cost, together with any incidental expenses of acquisition.

The following annual depreciation rates are applied on a straight line basis:

Motor vehicles	20%
Plant and equipment	20%

Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

Turnover

Turnover comprises the sales of services at invoice value, before value added tax.

Deferred taxation

Taxation deferred or accelerated is accounted for in respect of all timing differences to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

Pensions

The company participates in two pension schemes, one defined benefit and one defined contribution, operated by its parent company, AAH plc. The assets of the schemes are independent of the company's and the group's finances. Contributions to the schemes are determined by a professionally qualified independent actuary. They are based upon pension costs across the group as a whole and are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The most recent actuarial valuation of the group's principal defined benefit scheme was carried out on 6 April 1994, particulars of which are disclosed in the financial statements of AAH plc.

The company provides no other post retirement benefits to its employees.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction.

2 Turnover

Turnover consists entirely of sales made in the United Kingdom.

3 Directors' emoluments

The remuneration paid to directors of Statim Finance Limited was:

	9 Months ended 31 December 1995 £'000	12 Months ended 31 March 1995 £'000
For management	38	-
Pension contributions	5	-
	<hr/> 43	<hr/> -

Fees and other emoluments (excluding pension contributions) include amounts paid to:

	9 Months ended 31 December 1995 £'000	12 Months ended 31 March 1995 £'000
The Chairman	<u>Nil</u>	<u>Nil</u>
The highest paid director	<u>38</u>	<u>-</u>

The number of directors (including the Chairman and highest paid director) who received emoluments (excluding pension contributions) in the following ranges was:

	9 Months ended 31 December 1995 Number	12 Months ended 31 March 1995 Number
£0 to £5,000	<u>5</u>	<u>5</u>
£40,001 to £45,000	<u>1</u>	<u>-</u>

The emoluments of Mr Greenhalgh, Mr Meister, Mr Revell, Mr Vizard and Mr Wallis are paid by AAH Subsidiaries Limited. Mr Greenhalgh, Mr Meister, Mr Revell and Mr Wallis are directors of AAH Subsidiaries Limited and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Mr Vizard is a director of AAH Pharmaceuticals Limited. Accordingly, the above details include no emoluments in respect of Mr Greenhalgh, Mr Meister, Mr Revell, Mr Vizard and Mr Wallis. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of AAH Subsidiaries Limited.

4 Employee information

The average weekly numbers of persons (including executive directors) employed during the period was:

	9 Months ended 31 December 1995 Number	12 Months ended 31 March 1995 Number
Administration	<u>5</u>	<u>6</u>
	£	£
Staff costs (for the above persons):		
Wages and salaries	101,481	106,697
Social security costs	10,875	10,327
Other pension costs	5,036	3,245
	<u>117,392</u>	<u>120,269</u>

5 Profit / (loss) on ordinary activities before taxation

	9 Months ended 31 December 1995 £	12 Months ended 31 March 1995 £
This is stated after charging:		
Depreciation charge for the period		
Tangible owned fixed assets	9,635	6,420
Auditors' remuneration - for audit	4,750	6,180
And after crediting:		
Bad debt charge	<u>188,119</u>	<u>711,158</u>
:		
:		

:

6 Net interest receivable

	9 Months ended 31 December 1995 £	12 Months ended 31 March 1995 £
Interest receivable:		
Bank interest	42,294	27,507
Other interest	32,105	33,479
	<u>74,399</u>	<u>60,986</u>

7 Taxation

	9 Months ended 31 December 1995 £	12 Months ended 31 March 1995 £
United Kingdom corporation tax at 33% (March 1995: 33%)	(122,825)	54,565
Deferred taxation (note 11)	979	272
Under provision in respect of prior years:		
Corporation tax	-	355
	<u>(121,846)</u>	<u>55,192</u>

8 Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Total £
Cost			
At 1 April 1995	6,652	25,418	32,070
Additions	-	12,451	12,451
Group transfers in	-	25,865	25,865
Disposals	-	(10,024)	(10,024)
At 31 December 1995	6,652	53,710	60,362
Depreciation			
At 1 April 1995	2,206	12,720	14,926
Charge for the year	999	8,636	9,635
Group transfers in	-	8,044	8,044
Disposals	-	(5,712)	(5,712)
At 31 December 1995	3,205	23,688	26,893
Net book value			
At 31 December 1995	3,447	30,022	33,469
Net book value			
At 31 March 1995	4,446	12,698	17,144

9 Debtors

	31 December 1995 £	31 March 1995 £
Amounts falling due within one year:		
Trade debtors	945,478	902,417
Amounts owed by parent company and fellow subsidiary undertakings	-	7,040
Corporation tax recoverable	-	54,565
Interest prepaid	16,980	1,293
	962,458	965,315

10 Creditors: amounts falling due within one year

	31 December 1995 £	31 March 1995 £
Trade creditors	3,228	3,320
Amounts owed to Parent company and fellow subsidiary undertakings	414,728	196,714
Corporation tax	122,825	-
Other taxation and social security	1,116	-
Other creditors	4,750	-
Accruals and deferred income	10,500	15,551
	<u>557,147</u>	<u>215,585</u>

11 Deferred taxation

Deferred taxation provided in the financial statements, and the amount unprovided of the total potential liability are as follows:

	Amount provided		Amount unprovided	
	31 December 1995 £	31 March 1995 £	31 December 1995 £	31 March 1995 £
Accelerated capital allowances	-	979	91	-
Short term timing differences	-	-	(3,307)	-
	<u>-</u>	<u>979</u>	<u>(3,216)</u>	<u>-</u>

Movements on the provision for deferred taxation for the company are as follows:

	£
At 1 April 1995	979
Transferred to profit and loss account (note 7)	(979)
At 31 December 1995	<u>-</u>

12 Called-up share capital

	31 December 1995 £	31 March 1995 £
Authorised		
1,000,000 (March 1995: 1,000,000) ordinary shares of £1 each	1,000,000	1,000,000
	<u> </u>	<u> </u>
Allotted, called-up and fully paid		
1,000,000 (March 1995: 1,000,000) ordinary shares of £1 each	1,000,000	1,000,000
	<u> </u>	<u> </u>

13 Profit and loss account

	31 December 1995 £	31 March 1995 £
At beginning of period	(46,626)	(28,791)
Retained profit for the period	132,648	(17,835)
	<u> </u>	<u> </u>
At end of period	86,022	(46,626)
	<u> </u>	<u> </u>

14 Reconciliation of movements in shareholders' funds

	31 December 1995 £	31 March 1995 £
Profit / (loss) for the financial year	132,648	(17,835)
Opening shareholders' funds	953,374	971,209
	<u> </u>	<u> </u>
Closing shareholders' funds	1,086,022	953,374
	<u> </u>	<u> </u>

15 Contingent liabilities

	31 December 1995 £	31 March 1995 £
Guarantee of bank indebtedness	<u>54,379,263</u>	<u>69,445,648</u>

This represents guarantees given to Barclays Bank plc in respect of loans to pharmacists. No liability is expected to arise.

16 Ultimate parent company

The ultimate parent company is Franz Haniel & Cie GmbH by virtue of its majority shareholding in GEHE AG and its consolidation of the GEHE AG Group results into its own consolidated financial statements.

Consolidated accounts for the largest group of undertakings are prepared by Franz Haniel & Cie GmbH and may be obtained from Franz Haniel Platz 1, D47119 Duisburg Ruhrort, Germany.

Consolidated accounts for the smallest group of undertakings are prepared by AAH plc and may be obtained from the Company Secretary, AAH plc, Hampton Court, Tudor Road, Manor Park, Runcorn, Cheshire WA7 1TX.