

RIPPLEBAY LIMITEDREPORTS AND ACCOUNTS  
FOR THE YEAR ENDED 31 JANUARY 1997Index

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REGISTERED NUMBER 1981890



RIPPLEBAY LIMITED

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COMPANY INFORMATION

DIRECTOR	P.W. Thom
SECRETARY	M. Finch
BANKERS	National Westminster Bank plc Old Market Square 3 London Street Basingstoke, Hampshire RG21 7NS
AUDITORS	BDO Stoy Hayward Connaught House Alexandra Terrace Guildford, Surrey GU1 3DA
REGISTERED OFFICE	Unit 1 Sherfield Park Chineham Basingstoke, Hampshire RG21 1NE
REGISTERED NUMBER	1981890

RIPPLEBAY LIMITEDREPORT OF THE DIRECTOR

The director presents his report and the audited accounts of the company for the year ended 31 January 1997.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of a retail chemist.

DIRECTORS AND THEIR INTERESTS

The directors who held office at the end of the year and their interests in the share capital of the company at the beginning and end of the year were as follows:

	<u>Ordinary shares of £1 each</u>	
	<u>At 31 January 1997</u>	<u>At 31 January 1996</u>
P.W. Thom	65	65
R.L. Thom	35	35

Each of the above held office throughout the year.

It is with regret that the board announces the death of R.L. Thom on 19 September 1997.

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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- i. select suitable accounting policies and then apply them consistently;
- ii. make judgements and estimates that are reasonable and prudent;
- iii. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- iv. 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.

RIPPLEBAY LIMITEDREPORT OF THE DIRECTOR  
(Continued)AUDITORS

On 1 July 1997 the company's auditors changed the name under which they practice to BDO Stoy Hayward.

The directors propose the reappointment of BDO Stoy Hayward as auditors.

SMALL COMPANY EXEMPTIONS

This report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board

A handwritten signature in dark ink, appearing to read 'M. Finch'.

27 November 1997

Secretary  
M. FINCH

RIPPLEBAY LIMITED

REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
RIPPLEBAY LIMITED

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2, 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 as at 31 January 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

28 NOVEMBER 1997  
CONNAUGHT HOUSE  
ALEXANDRA TERRACE  
GUILDFORD, SURREY  
GU1 3DA

  
BDO STOY HAYWARD  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS

RIPPLEBAY LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JANUARY 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
<u>TURNOVER</u>	2	915,762	856,793
Cost of sales		694,953	663,174
<u>GROSS PROFIT</u>		220,809	193,619
Administrative expenses		186,802	180,532
		34,007	13,087
Other operating income		2,746	1,374
<u>OPERATING PROFIT</u>	3	36,753	14,461
Interest payable and similar charges		(7,741)	(6,924)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		29,012	7,537
Tax on profit on ordinary activities	4	7,458	1,810
<u>PROFIT FOR THE FINANCIAL YEAR</u>		21,554	5,727
Dividends		22,000	6,000
<u>REVENUE DEFICIT FOR THE FINANCIAL YEAR</u>	10	(446)	(273)

TOTAL RECOGNISED GAINS AND LOSSES

The only recognised gain for the year was the profit for the financial year of £446 (1996 – loss of £273).

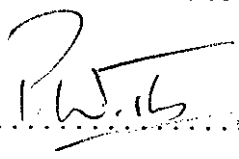
NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no material difference between the reported profit and the historical cost profit.

RIPPLEBAY LIMITEDBALANCE SHEET  
AT 31 JANUARY 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible assets	5	34,461	16,302
<u>CURRENT ASSETS</u>			
Stocks		62,696	68,186
Debtors	6	140,899	144,072
Cash at bank and in hand		3,287	1,232
		206,882	213,490
<u>CREDITORS:</u>			
Amounts falling due within one year	7	185,256	184,710
<u>NET CURRENT ASSETS</u>			
		21,626	28,780
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		56,087	45,082
<u>CREDITORS:</u>			
Amounts falling due after more than one year	8	52,167	40,716
		3,920	4,366
<u>CAPITAL AND RESERVES</u>			
Called up share capital	9	100	100
Profit and loss account	10	3,820	4,266
	11	3,920	4,366

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

  
.....) P.W. THOM  
) )  
) Directors Formally approved on 27 November 1997  
) )  
.....)

NOTES TO THE ACCOUNTS

AT 31 JANUARY 1997

1 ACCOUNTING POLICIES

ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention, and in accordance with applicable Accounting Standards.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Office equipment	25% on a reducing balance basis per annum
Fixtures and fittings	25% on a reducing balance basis per annum
Motor vehicles	25% on a reducing balance basis per annum

STOCKS

Stocks are stated at the lower of cost and net realisable value as follows:

Cost incurred in bringing each product to its present location and condition:

Raw materials, consumables and goods for resale	- purchase cost on first-in, first-out basis
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Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

DEFERRED TAXATION

Deferred taxation is provided under the liability method on all timing differences to the extent that it is probable that the liability will crystallise in the foreseeable future.

LEASES AND HIRE PURCHASE

Assets acquired under hire purchase contracts are capitalised and included within fixed assets. Such assets are depreciated on a written down value basis over the shorter of the lease term or the asset's useful life in accordance with the company's normal depreciation policy. Liabilities under hire purchase contracts, less interest not yet charged, are included in creditors. Interest is charged to the profit and loss account over the term of each contract on a straight line basis.

The aggregate amount of finance charges for the year under hire purchase contracts and finance leases was £3,733 (1996 - £1,537).

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

PENSION SCHEME

The company operates a defined contribution pension 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 and amounted to £1,512. No contributions were payable by the company to the fund at the year end.



NOTES TO THE ACCOUNTS  
AT 31 JANUARY 1997  
(Continued)

2 TURNOVER

Turnover represents the invoiced amount of goods sold and services provided, stated net of value added tax.

The turnover and pre-tax profit are attributable to one activity, that of a retail chemist, and arose wholly within the United Kingdom.

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	1997	1996
	£	£
Directors' management emoluments	73,512	67,512
Auditors' fees and expenses	3,520	2,800
Depreciation – owned assets	1,683	1,516
– assets held under hire purchase and finance leases	9,806	3,918
Operating lease rentals – property	7,250	7,250
Operating lease rentals – other	7,494	2,783
Profit on disposal of tangible fixed assets	(2,746)	-

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

Based on the profit for the year:

	1997	1996
	£	£
UK Corporation tax at a rate of 24%/25%	7,458	3,202
Taxation over-provided in previous years	-	(1,392)
	7,458	1,810

NOTES TO THE ACCOUNTS  
AT 31 JANUARY 1997  
(Continued)

5 TANGIBLE FIXED ASSETS

	Office equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost:				
At 31 January 1996	11,632	23,412	20,897	55,941
Additions	2,181	-	39,221	41,402
Disposals	-	-	(20,897)	(20,897)
At 31 January 1997	13,813	23,412	39,221	76,446
Depreciation:				
At 31 January 1996	9,132	21,364	9,143	39,639
Charge for the year	1,171	512	9,806	11,489
Released on disposal	-	-	(9,143)	(9,143)
At 31 January 1997	10,303	21,876	9,806	41,985
Net book amounts:				
At 31 January 1997	3,510	1,536	29,415	34,461
At 31 January 1996	2,500	2,048	11,754	16,302

In respect of assets capitalised under hire purchase contracts and finance leases included above:

Net book amounts:				
At 31 January 1997	-	-	29,415	29,415
At 31 January 1996	-	-	11,754	11,754

6 DEBTORS

	1997	1996
	£	£
Trade debtors	119,142	110,010
Corporation tax recoverable	-	1,619
Other debtors	21,757	32,443
	140,899	144,072

RIPPLEBAY LIMITED

NOTES TO THE ACCOUNTS  
AT 31 JANUARY 1997  
(Continued)

7 CREDITORS:

Amounts falling due within one year:

	<u>1997</u>	<u>1996</u>
	£	£
Bank overdraft	57,869	77,816
Trade creditors	89,925	72,413
Current corporation tax	10,660	3,202
Other taxes and social security	5,147	15,093
Other creditors (note 8)	21,655	16,186
	<u>185,256</u>	<u>184,710</u>

8 CREDITORS:

Amounts falling due after more than one year:

	<u>1997</u>	<u>1996</u>
	£	£
Not wholly repayable within five years	3,073	9,724
Wholly repayable within five years:		
Bank loan	37,309	30,000
Hire purchase liability	29,112	10,489
	<u>66,421</u>	<u>40,489</u>
Total due after more than one year	<u>69,494</u>	<u>50,213</u>
Less amounts due within one year (included in current liabilities):		
Bank loan	9,000	6,000
Hire purchase liability	8,327	3,497
	<u>17,327</u>	<u>9,497</u>
	<u>52,167</u>	<u>40,716</u>

RIPPLEBAY LIMITED

NOTES TO THE ACCOUNTS  
AT 31 JANUARY 1997  
(Continued)

9 CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	£	£
<u>Authorised</u>		
Ordinary shares of £1 each	100	100
<u>Allotted, issued and fully paid</u>		
Ordinary shares of £1 each	100	100

10 PROFIT AND LOSS ACCOUNT

	<u>1997</u>	<u>1996</u>
	£	£
Retained profit at 31 January 1996	4,266	4,539
Revenue deficit for the financial year	(446)	(273)
Retained profit at 31 January 1997	3,820	4,266

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1997</u>	<u>1996</u>
	£	£
Profit for the financial year	21,554	5,727
Dividends	(22,000)	(6,000)
Net deduction from shareholders' funds	(446)	(273)
Opening shareholders' funds	4,366	4,639
Closing shareholders' funds	3,920	4,366

RIPPLEBAY LIMITED

NOTES TO THE ACCOUNTS  
AT 31 JANUARY 1997  
(Continued)

12 FINANCIAL COMMITMENTS

Annual commitments under non-cancellable operating leases at 31 January 1997 were as follows:

	<u>1997</u>	<u>1996</u>
	£	£
Leases expiring between two and five years:		
Equipment	6,012	2,259
Rent	7,250	7,250
	<u>13,262</u>	<u>9,509</u>

13 CONTINGENT LIABILITIES

There were no significant contingent liabilities on 31 January 1997 nor on 31 January 1996.

14 TRANSACTIONS INVOLVING DIRECTORS

Included in debtors are loans to director:

	<u>1997</u>	<u>1996</u>
	£	£
Amounts outstanding at end of year:		
P.W. Thom	<u>10,463</u>	<u>21,843</u>
Maximum amounts outstanding during the year:		
P.W. Thom	<u>25,739</u>	<u>24,658</u>

The directors' loan account was fully cleared in November 1997.

15 CONTROLLING PARTY NOTE

At 31 January 1997, the company was controlled by its directors, P.W. Thom and R.L. Thom, who together owned 100% of the company's issued share capital.