

**PIRMO CHEMISTS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2003**



**WHITING & PARTNERS**

**CHARTERED ACCOUNTANTS**

**46 PRIESTGATE**

**PETERBOROUGH**

**PE1 1LF**

**PIRMO CHEMISTS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31 MARCH 2003**

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**PIRMO CHEMISTS LIMITED**

**COMPANY INFORMATION**

**COMPANY NUMBER** 02339432

**DIRECTORS** M Pirmohamed  
A G Pirmohamed

**SECRETARY** A G Pirmohamed

**REGISTERED OFFICE** 67 Lincoln Road  
Peterborough  
PE1 2SD

**AUDITORS** Whiting & Partners  
Chartered Accountants  
46 Priestgate  
Peterborough  
PE1 1LF

**BANKERS** Barclays Bank Plc  
114/116 High Street  
Old Fletton  
Peterborough  
PE2 8DP

**SOLICITORS** Greenwoods  
Monkstone House  
City Road  
Peterborough  
PE1 1JE

**PIRMO CHEMISTS LIMITED****REPORT OF THE DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2003**

The Directors present their Report with the Financial Statements of the Company for the Year Ended 31 March 2003.

**PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS**

The Company's principal activities are Dispensing Pharmacist and Retail Chemist.

The Directors report that sales during the year have increased by 11%.

**RESULTS AND DIVIDENDS**

The profit for the year after taxation amounted to £69,018. The Directors declared net dividends of £40,000 and Mr A G Pirmohamed signed a deed waiving his right to receive the £20,000 net dividend attributable to him.

**FIXED ASSETS**

Details of movements in Fixed Assets during the year are set out in Note 9 to the Financial Statements.

**DIRECTORS AND INTEREST IN SHARES**

The Directors who held office at 31 March 2003 had the following interests in the shares of the Company at the beginning and end of the Financial Period.

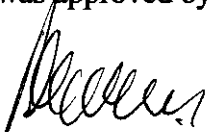
	<b><u>£ Ordinary Shares</u></b>
	<b><u>Fully Paid</u></b>
	<b><u>2002 and 2003</u></b>
M Pirmohamed	50
A G Pirmohamed	50

**AUDITORS**

A resolution under Section 384 of the Companies Act 1985 will be proposed at the Annual General Meeting that Messrs Whiting & Partners be re-appointed as Auditors.

This report was approved by the Board on:

26. 1. 2004




**AMIR PIRMOHAMED**  
Director

**DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS**

- (a) Company law requires Directors to prepare Financial Statements for each Financial Year which give a true and fair view of the Company's state of affairs at the end of the year and profit or loss for the year then ended;
- (b) In preparing those Financial Statements, the Directors are required to:
- Select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable;
- 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 now appropriate to presume that the Company will continue in business.
- (c) The Directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Acknowledged by Director



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AMIR PIRMOHAMED  
**PIRMO CHEMISTS LIMITED**

26. 1. 2004

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DATE

**INDEPENDENT AUDITORS' REPORT****TO THE SHAREHOLDERS OF FIRMO CHEMISTS LIMITED****YEAR ENDED 31 MARCH 2003**

We have audited the financial statements of Pirmo Chemists Ltd for the year ended 31 March 2003 which comprise the Profit and Loss Account, the Balance Sheet and the related notes on pages 7 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit, for this report, or for the opinions we have formed.

**Respective Responsibilities of the Directors and the Auditors**

As described on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatement within it.


**Basis of Audit Opinion**

We conducted our audit in accordance with United Kingdom 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 March 2003 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

  
Registered Auditors Date  
Whiting and Partners, Chartered Accountants  
46 Priestgate, Peterborough PE1 1LF

26. 1. 2004

**PIRMO CHEMISTS LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2003**

	<u>NOTES</u>	<u>2003</u> <u>£</u>	<u>2002</u> <u>£</u>
<b><u>TURNOVER-</u></b>			
<b><u>CONTINUING OPERATION</u></b>	2	1,523,072	1,371,181
Cost of Sales		<u>(1,226,226)</u>	<u>(1,107,165)</u>
<b><u>GROSS PROFIT-</u></b>			
<b><u>CONTINUING OPERATION</u></b>		296,846	264,016
Administrative Expenses	3	<u>(192,711)</u>	<u>(217,135)</u>
<b><u>OPERATING PROFIT</u></b>	4	104,135	46,881
Exceptional Credit	5	-	190,357
Interest Receivable	6	8,973	8,843
Interest Payable	7	<u>(70)</u>	<u>-</u>
<b><u>PROFIT ON ORDINARY</u></b>			
<b><u>ACTIVITIES BEFORE TAXATION</u></b>		113,038	246,081
Taxation	8	<u>(24,020)</u>	<u>(30,833)</u>
<b><u>PROFIT ON ORDINARY</u></b>			
<b><u>ACTIVITIES AFTER TAXATION</u></b>		89,018	215,248
Dividends		<u>(20,000)</u>	<u>(20,000)</u>
<b><u>PROFIT TRANSFERRED TO RESERVES</u></b>		<u>69,018</u>	<u>195,248</u>
Earnings Per Share		<u>690.18</u>	<u>1,952.48</u>

Statement Of Movements On Reserves Appears In Note 18 To The Financial Statements

**Note:**

Apart from the profit for the financial period there were no other recognised gains or losses.


The Notes on Pages 7 to 12 form part of these Financial Statements.

**PIRMO CHEMISTS LIMITED****BALANCE SHEET AS AT 31 MARCH 2003**

	NOTE	<u>2003</u>		<u>2002</u>	
		£	£	£	£
<b><u>FIXED ASSETS</u></b>					
Tangible Assets	9	69,738		83,350	
Intangible Assets - Goodwill		500		500	
		<u>70,238</u>		<u>83,850</u>	
<b><u>CURRENT ASSETS</u></b>					
Stocks	10	50,468		44,160	
Debtors	11	316,532		271,034	
Investments	12	49		49	
Cash at Bank and in Hand		372,923		327,280	
		<u>739,972</u>		<u>642,523</u>	
<b><u>CREDITORS</u></b>					
Amounts Falling Due Within One Year	13	(382,285)		(367,466)	
<b><u>NET CURRENT ASSETS</u></b>					
		<u>357,687</u>		<u>275,057</u>	
		427,925		358,907	
<b><u>CREDITORS</u></b>					
Amounts Falling Due After More Than One Year	14	-		-	
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>		<u>427,925</u>		<u>358,907</u>	
<b><u>CAPITAL AND RESERVES</u></b>					
Called Up Share Capital	17	100		100	
Profit And Loss Account		427,825		358,807	
<b><u>TOTAL CAPITAL AND RESERVES</u></b>	18	<u>427,925</u>		<u>358,907</u>	

Approved By The Board Of Directors On:

26 JANUARY 2004
  
 AMIR PIRMOHAMED  
 DIRECTOR

  
 M. PIRMOHAMED

The Notes on Pages 7 to 12 form part of these Financial Statements.



**PIRMO CHEMISTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2003****1. ACCOUNTING POLICIES****(a) ACCOUNTING CONVENTION**

The accounts have been prepared under the Historical Cost Convention.

**(b) TURNOVER**

Turnover represents amounts receivable for goods and services provided, net of discounts and VAT.

**(c) TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost or valuation, less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold Property - over 50 years  
Fixtures and Fittings - over 5 years  
Equipment - over 5 years  
Motor Vehicles - over 4 years  
Building Alterations - over 5 years

**(d) STOCKS**

Stocks are stated at the lower of cost and net realisable value. Cost is arrived at as follows:

Goods for resale - purchase cost on a first-in, first-out basis

Net realisable value is based on estimated selling price less further costs expected to be incurred before sale.

**(e) PENSION COSTS**

The costs of providing retirement pensions and other benefits are charged to the Profit and Loss Account when the contributions become payable.

**(f) DEFERRED TAXATION**

Provision is made for deferred taxation using the liability method to take account differences between the income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

**PIRMO CHEMISTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2003 continued...****(g) COMPLIANCE WITH ACCOUNTING STANDARDS**

The Financial Statements have been prepared in accordance with applicable accounting standards. However, the Company has taken advantage of the exception in Financial Reporting Standard No. 1 Para 5 (a) from producing a Cash Flow Statement on the grounds that it is a small Company.

**2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

As the Company is engaged substantially in one class of business in the United Kingdom, no analysis of turnover or profit has been provided.

**3. ADMINISTRATIVE EXPENSES**

	2003	2002
	£	£
Staff Costs (See Note 19)	123,091	127,611
Other Operating Charges	69,620	89,524
	<u>192,711</u>	<u>217,135</u>

**4. OPERATING PROFIT**

	2003	2002
	£	£
The operating profit is stated after charging:		
Depreciation: Owned Fixed Assets	13,867	13,817
Auditor's Remuneration	670	670
	<u>14,537</u>	<u>14,487</u>

**5. EXCEPTIONAL CREDIT**

	2003	2002
	£	£
(a) CAPITAL GAIN ON SALE OF EYE BUSINESS		
Proceeds Net of Expenses	-	155,357
Capital Gain on Sale of Building Alterations	-	4,546
	<u>-</u>	<u>(a)159,903</u>

**PIRMO CHEMISTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2003 continued...**

	2003 £	2002 £
(b) SURPLUS ON SALE OF FIXED ASSET		
Proceeds of Building Alterations		15,000
Less: Capital Gain		<u>4,546</u>
		10,454
Proceeds of Fixtures and Fittings		<u>20,000</u>
		30,454
Less: Cost of Assets	30,454	
Depreciation Provided to Date	<u>30,454</u>	<u>-</u>
Surplus		<u>(b) 30,454</u>
EXCEPTIONAL CREDIT		<u>(a)+(b) 190,357</u>
	2003 £	2002 £
6. <b><u>INTEREST RECEIVABLE</u></b>		
Bank Deposit Interest (Paid Gross)	<u>8,973</u>	<u>8,843</u>
	2003 £	2002 £
7. <b><u>INTEREST PAYABLE</u></b>		
Interest on Corporation Tax	<u>70</u>	<u>-</u>
	2003 £	2002 £
8. <b><u>TAXATION</u></b>		
Corporation Tax 19% (2002 - 20%)		
on profit adjusted for tax purposes:	23,706	30,833
Under-provision in Previous Year	<u>314</u>	<u>-</u>
	<u>24,020</u>	<u>30,833</u>

**PIRMO CHEMISTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2003 continued...****9. TANGIBLE FIXED ASSETS**

	<b><u>FREEHOLD PROPERTY</u></b>	<b><u>FIXTURES &amp; FITTINGS</u></b>	<b><u>EQUIPMENT &amp; ALARM SYS</u></b>	<b><u>MOTOR VEHICLES</u></b>	<b><u>BLDGS &amp; ALT'S</u></b>	<b><u>TOTAL</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
<b>Cost or Valuation</b>						
At 1 April 2002	54,348	29,369	22,962	14,524	25,370	146,573
Additions	-	255	-	-	-	255
Disposals	-	-	-	-	-	-
At 31 March 2003	54,348	29,624	22,962	14,524	25,370	146,828
<b>Depreciation</b>						
At 1 April 2002	3,261	17,303	15,174	6,991	20,494	63,223
Charge for the Year	1,087	4,564	2,757	3,795	1,664	13,867
Disposals	-	-	-	-	-	-
At 31 March 2003	4,348	21,867	17,931	10,786	22,158	77,090
<b>Net Book Value</b>						
At 31 March 2003	50,000	7,757	5,031	3,738	3,212	69,738
At 31 March 2002	51,087	12,066	7,788	7,533	4,876	83,350

**9A. INTANGIBLE ASSET**

This arises from purchase of an unrelated business which was conditional upon acquisition of the freehold property adjoining the Mayor's Walk Pharmacy.

**10. STOCKS**

	<b>2003</b>	<b>2002</b>
	<b><u>£</u></b>	<b><u>£</u></b>
Goods for Resale and Dispensing	50,468	44,160

**11. DEBTORS**

	<b>2003</b>	<b>2002</b>
	<b><u>£</u></b>	<b><u>£</u></b>
Trade Debtors	265,649	221,435
Other Debtors	50,083	49,103
Prepayments	800	496
	316,532	271,034

**PIRMO CHEMISTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2003 continued...**

<b>12. <u>INVESTMENTS</u></b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Listed in the UK cost	49	49
	<hr/>	<hr/>
Market Value	262	350
	<hr/>	<hr/>
Tax on Potential Capital Gain if Sold At Market Value	50	63
	<hr/>	<hr/>
 <b>12. <u>CREDITORS</u></b>	 <b>2003</b>	 <b>2002</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Bank Overdraft	263,468	248,946
Trade Creditors	18,333	24,240
Other Creditors	43,319	38,416
Accruals and Deferred Income	36,672	25,031
Corporation Tax	19,922	30,833
Other Tax and Social Security	571	-
	<hr/>	<hr/>
	382,285	367,466
	<hr/>	<hr/>

The bank overdraft is secured by Personal Assets and Guarantees given by the two Directors.

<b>14. <u>CREDITORS</u></b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Amounts falling due after more than one year:		
	-	-
	<hr/>	<hr/>

**15. DEFERRED TAXATION**

No provision has been made for Deferred Taxation, as the directors do not consider that a liability will materialise. The unprovided deferred taxation amounts to £1,640.

**16. PENSION COSTS**

The Company operates a defined contribution scheme in respect of the Directors. The Pension cost charge represents contributions payable by the Company to the scheme and amounted to £1,200 (2002 £1,200). There were no contributions outstanding at 31 March 2003.

**PIRMO CHEMISTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2003 continued...****17. SHARE CAPITAL**

Authorised and allotted share capital

<u>At 31 March 2003 and At 31 March 2002</u>	
<u>Authorised</u>	<u>Allotted, Called Up and Fully Paid</u>

	<u>Number</u>	<u>£</u>
	<u>1,000</u>	<u>100</u>

£1 Ordinary Shares

**18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS**

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
Profit for the financial year	69,018	195,248
Shareholders funds at 31 March 2002	358,907	163,659
Shareholders Funds at 31 March 2003	<u>427,925</u>	<u>358,907</u>

**19. EMPLOYEES AND DIRECTORS**

	<u>2003</u>	<u>2002</u>
a) <u>Employees</u>		
The average number of employees (including Directors) employed by the Company during the year was:	<u>27</u>	<u>26</u>
Costs in Respect of these employees:	<u>£</u>	<u>£</u>
Wages and salaries	115,660	120,180
Social Security Costs	6,231	6,231
Other Pension Costs	1,200	1,200
	<u>123,091</u>	<u>127,611</u>
b) <u>Directors</u>	<u>£</u>	<u>£</u>
Emoluments	10,542	8,900
Pension Costs	1,200	1,200
	<u>11,742</u>	<u>10,100</u>

In addition to the income shown here and the dividends shown in the profit and loss account, the Directors received income from other sources in excess of £50,000.

**c) Interest in Transaction**

One of the properties occupied by the Company is owned by a Director who is paid rent of £9,800 (2002 £9,800). This accrued rent had not been paid over at the balance sheet date.