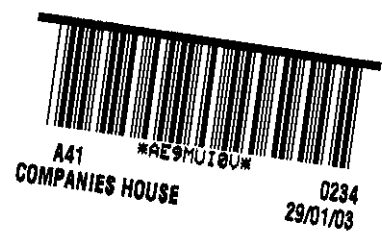


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PIRMO CHEMISTS LIMITED



PIRMO CHEMISTS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2002

WHITING & PARTNERS

CHARTERED ACCOUNTANTS

31 PRIESTGATE

PETERBOROUGH

PE1 1JL

PIRMO CHEMISTS LIMITED

REPORT AND FINANCIAL STATEMENTS

31 MARCH 2002

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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
31 Priestgate
Peterborough
PE1 1JL

BANKERS

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

SOLICITORS

Greenwoods
30 Priestgate
Peterborough
PE1 1JE

PIRMO CHEMISTS LIMITED**REPORT OF THE DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2002**

The Directors present their Report with the Financial Statements of the Company for the Year Ended 31 March 2002.

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 4%.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £195,248. 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. The profit includes Capital Gain upon disposal of the branch in the village of Eye.

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 2002 had the following interests in the shares of the Company at the beginning and end of the Financial Period.

	<u>£ Ordinary Shares</u>
	<u>Fully Paid</u>
	<u>2001 and 2002</u>
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: _____



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



AMIR PIRMOHAMED
PIRMO CHEMISTS LIMITED

DATE

AUDITORS' REPORT

To the members of Pirmo Chemists Ltd

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 pages 7 to 8.

Respective responsibilities of Directors and auditors

The Directors are responsible for preparing the Annual Report. As described on the previous page, this includes the responsibility for preparing the financial statements in accordance with applicable UK law and Accounting Standards. Our responsibilities, as independent auditors, are established in the UK by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 is not disclosed.

Basis of audit 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 misstatements, 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 affairs of the Company as at 31 March 2002, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Registered Auditors

Whiting and Partners
Chartered Accountants

27. 1. 2003
Date

31 Priestgate
Peterborough PE1 1JL

PIRMO CHEMISTS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2002**

	<u>NOTES</u>	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
<u>TURNOVER-</u>			
<u>CONTINUING OPERATION</u>	2	1,371,181	1,318,210
Cost of Sales		<u>(1,107,165)</u>	<u>(1,052,079)</u>
<u>GROSS PROFIT-</u>			
<u>CONTINUING OPERATION</u>		264,016	266,131
Administrative Expenses	3	<u>(217,135)</u>	<u>(212,760)</u>
<u>OPERATING PROFIT</u>	4	46,881	53,371
Exceptional Credit	5	190,357	-
Interest Receivable	6	8,843	3,177
Interest Payable	7	<u>-</u>	<u>24</u>
<u>PROFIT ON ORDINARY</u>			
<u>ACTIVITIES BEFORE TAXATION</u>		246,081	56,572
Taxation	8	<u>(30,833)</u>	<u>(10,972)</u>
<u>PROFIT ON ORDINARY</u>			
<u>ACTIVITIES AFTER TAXATION</u>		215,248	45,600
Dividends		<u>(20,000)</u>	<u>(12,000)</u>
<u>PROFIT TRANSFERRED TO RESERVES</u>		<u>195,248</u>	<u>33,600</u>
Earnings Per Share		<u>1,952.48</u>	<u>336.00</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 2002**

	<u>NOTE</u>	<u>2002</u>		<u>2001</u>	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	9		83,350		85,196
Intangible Assets - Goodwill			500		500
			<u>83,850</u>		<u>85,696</u>
<u>CURRENT ASSETS</u>					
Stocks	10	44,160		49,409	
Debtors	11	271,034		236,731	
Investments	12	49		49	
Cash at Bank and in Hand		327,280		77,211	
		<u>642,523</u>		<u>363,400</u>	
<u>CREDITORS</u>					
Amounts Falling Due Within One Year	13	(367,466)		(285,437)	
<u>NET CURRENT ASSETS</u>			<u>275,057</u>		<u>77,963</u>
			358,907		163,659
<u>CREDITORS</u>					
Amounts Falling Due After More Than One Year	14		-		-
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>358,907</u>		<u>163,659</u>
<u>CAPITAL AND RESERVES</u>					
Called Up Share Capital	17		100		100
Profit And Loss Account			358,807		163,559
<u>TOTAL CAPITAL AND RESERVES</u>	18		<u>358,907</u>		<u>163,659</u>

Approved By The Board Of Directors On: _____



 AMIR PIRMOHAMED
 DIRECTOR

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 2002****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 computed and disclosed by way of a note 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 2002 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

	2002	2001
	£	£
Staff Costs (See Note 19)	127,611	110,804
Other Operating Charges	89,524	101,956
	<u>217,135</u>	<u>212,760</u>

4. OPERATING PROFIT

	2002	2001
	£	£
The operating profit is stated after charging:		
Depreciation: Owned Fixed Assets	13,817	11,632
Auditor's Remuneration	670	640
	<u>14,487</u>	<u>12,272</u>

5. EXCEPTIONAL CREDIT

	2002	2001
	£	£
(a) <u>Capital Gain On Sale Of EYE BUSINESS</u>		
Proceeds Net of Expenses	155,357	
Capital Gain on Sale of Building Alterations	4,546	
	<u>159,903</u>	

(a)

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2002 continued...**

	2002	2001
	£	£
(b) <u>Surplus On Sale Of FIXED ASSETS</u>		
Proceeds of Building Alterations	15,000	
<u>Less: Capital Gain</u>	<u>4,546</u>	
	10,454	
Proceeds of Fixtures and Fittings	<u>20,000</u>	
	30,454	
<u>Less: Cost of Assets</u>	<u>30,454</u>	
Depreciation Provided to Date	<u>30,454</u>	-
Surplus	(b) <u>30,454</u>	
EXCEPTIONAL CREDIT	(a)+(b) <u>190,357</u>	<u>-</u>
6. <u>INTEREST RECEIVABLE</u>	2002	2001
	£	£
Bank Deposit Interest (Paid Gross)	<u>8,843</u>	<u>3,177</u>
7. <u>INTEREST PAYABLE</u>	2002	2001
	£	£
Interest on Corporation Tax (Refund)	<u>-</u>	<u>(24)</u>
8. <u>TAXATION</u>	2002	2001
	£	£
Corporation Tax 20% (2001 - 20%) on profit adjusted for tax purposes:	<u>30,833</u>	<u>10,972</u>

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2002 continued...****9. TANGIBLE FIXED ASSETS**

	<u>FREEHOLD PROPERTY</u>	<u>FIXTURES & FITTINGS</u>	<u>EQUIPMENT & ALARM SYS</u>	<u>MOTOR VEHICLES</u>	<u>BLDGS & ALT'S</u>	<u>TOTAL</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost or Valuation						
At 1 April 2001	54,348	49,369	18,465	11,710	35,824	169,716
Additions	-	-	4,497	7,474	-	11,971
Disposals	-	(20,000)	-	(4,660)	(10,454)	(35,114)
At 31 March 2002	54,348	29,369	22,962	14,524	25,370	146,573
Depreciation						
At 1 April 2001	2,174	32,790	12,417	7,855	29,284	84,520
Charge for the Year	1,087	4,513	2,757	3,796	1,664	13,817
Disposals	-	(20,000)	-	(4,660)	(10,454)	(35,114)
At 31 March 2002	3,261	17,303	15,174	6,991	20,494	63,223
Net Book Value						
At 31 March 2002	51,087	12,066	7,788	7,533	4,876	83,350
At 31 March 2001	52,174	16,579	6,048	3,855	6,540	85,196

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

	2002	2001
	<u>£</u>	<u>£</u>
Goods for Resale and Dispensing	44,160	49,409

11. DEBTORS

	2002	2001
	<u>£</u>	<u>£</u>
Trade Debtors	221,435	189,593
Other Debtors and Prepayments	49,103	46,643
Prepayments	496	495
	271,034	236,731

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2002 continued...**

12. <u>INVESTMENTS</u>	2002	2001
	£	£
Listed in the UK cost	49	49
	<hr/>	<hr/>
Market Value	350	409
	<hr/>	<hr/>
Tax on Potential Capital Gain if Sold At Market Value	63	72
	<hr/>	<hr/>

13. <u>CREDITORS</u>	2002	2001
	£	£
Amounts falling due within one year:		
Bank Overdraft	248,946	220,812
Trade Creditors	24,240	16,532
Other Creditors	38,416	24,660
Accruals and Deferred Income	25,031	12,461
Corporation Tax	30,833	10,972
	<hr/>	<hr/>
	367,466	285,437
	<hr/>	<hr/>

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

14. <u>CREDITORS</u>	2002	2001
	£	£
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 £3,427.

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 (2001 £1,200). There were no contributions outstanding at 31 March 2002.

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2002 continued...****17. SHARE CAPITAL**

Authorised and allotted share capital

<u>At 31 March 2002 and At 31 March 2001</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>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Profit for the financial year	195,248	33,600
Shareholders funds at 31 March 2001	163,659	130,059
Shareholders Funds at 31 March 2002	<u>358,907</u>	<u>163,659</u>

19. EMPLOYEES AND DIRECTORS

	<u>2002</u>	<u>2001</u>
a) <u>Employees</u>		
The average number of employees (including Directors) employed by the Company during the year was:	<u>26</u>	<u>18</u>
Costs in Respect of these employees:	<u>£</u>	<u>£</u>
Wages and salaries	120,180	104,453
Social Security Costs	6,231	5,151
Other Pension Costs	1,200	1,200
	<u>127,611</u>	<u>110,804</u>
b) <u>Directors</u>	<u>£</u>	<u>£</u>
Emoluments	8,900	9,007
Pension Costs	1,200	1,200
	<u>10,100</u>	<u>10,207</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 (2001 £16,800). This accrued rent had not been paid over at the balance sheet date.