

R.O.C.
23391432

PIRMO CHEMISTS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 1997

WHITING & PARTNERS

CHARTERED ACCOUNTANTS

31 PRIESTGATE

PETERBOROUGH

PE1 1JL



PIRMO CHEMISTS LIMITED

REPORT AND FINANCIAL STATEMENTS

31 MARCH 1997

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PIRMO CHEMISTS LIMITED

COMPANY INFORMATION

COMPANY NUMBER 02339432

DIRECTORS M Pirmohamed
A G Pirmohamed

SECRETARY A G Pirmohamed

REGISTERED OFFICE 21 High Street
Eye
Peterborough
PE6 7UP

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 1997**

The Director presents his Report with the Financial Statements of the Company for the Year Ended 31 March 1997.

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 18%.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £19,032. The Directors declared net dividends of £12,800 and Mr A G Pirmohamed signed a deed waiving his right to receive the £6,400 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 1997 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>1997</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:

29th January 1998



AMIR PIRMOHAMED
Director

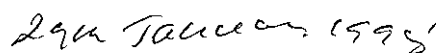
DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

- (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 SHAREHOLDERS OF FIRMO CHEMISTS LIMITED**

We have audited the Financial Statements on pages 7 to 12 which have been prepared under the Historical Cost Convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on pages 7 and 8.

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 of 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 March 1997 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

29th JANUARY 1998
Date

31 Priestgate
Peterborough PE1 1JL

PIRMO CHEMISTS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 1997**

	NOTES	<u>1997</u> £	<u>1996</u> £
<u>TURNOVER-</u>			
<u>CONTINUING OPERATION</u>	2	652,801	552,656
Cost of Sales		<u>(513,262)</u>	<u>(435,262)</u>
<u>GROSS PROFIT-</u>			
<u>CONTINUING OPERATION</u>		139,539	117,394
Administrative Expenses	3	<u>(114,296)</u>	<u>(89,882)</u>
<u>OPERATING PROFIT</u>	4	25,243	27,512
Interest Receivable	5	946	121
Interest Payable	6	<u>(18)</u>	<u>(1,346)</u>
<u>EXCEPTIONAL ITEMS</u>		26,171	26,287
Profit on Sale of Fixed Assets	7	344	-
Profit on Sale of Investment	7	<u>-</u>	<u>9,750</u>
<u>PROFIT ON ORDINARY</u>			
<u>ACTIVITIES BEFORE TAXATION</u>		26,515	36,037
Taxation	8	<u>(7,483)</u>	<u>(9,400)</u>
<u>PROFIT ON ORDINARY</u>			
<u>ACTIVITIES AFTER TAXATION</u>		19,032	26,637
Dividends		<u>6,400</u>	<u>-</u>
<u>PROFIT TRANSFERRED TO RESERVES</u>		<u>12,632</u>	<u>26,637</u>
Earnings Per Share		<u>126.32</u>	<u>266.37</u>

Statement Of Movements On Reserves Appears In Note 17 To The Financial Statements

Notes:

1. Apart from the profit for the financial period there were no other recognised gains or losses.
2. Apart from the profit for the financial year there were no other historical cost profits and losses.

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

PIRMO CHEMISTS LIMITED**BALANCE SHEET AS AT 31 MARCH 1997**

	<u>NOTE</u>	<u>£</u> <u>1997</u> <u>£</u>	<u>£</u> <u>1996</u> <u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	9	12,649	17,781
<u>CURRENT ASSETS</u>			
Stocks	10	31,090	26,670
Debtors	11	119,834	93,410
Investments	12	49	49
Cash at Bank and in Hand		36,603	2,634
		<u>187,576</u>	<u>122,763</u>
<u>CREDITORS</u>			
Amounts Falling Due Within One Year	13	<u>(149,168)</u>	<u>(102,119)</u>
<u>NET CURRENT ASSETS</u>			
		38,408	20,644
		<u>51,057</u>	<u>38,425</u>
<u>CREDITORS</u>			
Amounts Falling Due After More Than One Year	14	-	-
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		<u>51,057</u>	<u>38,425</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	17	100	100
Profit And Loss Account		50,957	38,325
<u>TOTAL CAPITAL AND RESERVES</u>			
	18	<u>51,057</u>	<u>38,425</u>

Approved By The Board Of Directors On:

29th Jan 1998AMIR PIRMOHAMED
DIRECTOR

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 1997****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:

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 1997 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. <u>ADMINISTRATIVE EXPENSES</u>	1997	1996
	£	£
Staff Costs	59,499	33,695
Other Operating Charges	54,797	56,187
	<hr/>	<hr/>
	114,296	89,882
	<hr/>	<hr/>
4. <u>OPERATING PROFIT</u>	1997	1996
	£	£
The operating profit is stated after charging:		
Depreciation: Owned Fixed Assets	9,339	6,557
Auditor's Remuneration	500	500
	<hr/>	<hr/>
	9,839	7,057
	<hr/>	<hr/>
5. <u>INTEREST RECEIVABLE</u>	1997	1996
	£	£
Bank Deposit Interest (Paid Gross)	946	31
Other Interest (Paid under deduction of tax)	-	90
	<hr/>	<hr/>
	946	121
	<hr/>	<hr/>
6. <u>INTEREST PAYABLE</u>	1997	1996
	£	£
Interest payable to bank on overdraft repayable with 5 years, not by instalments:	18	552
Interest payable on bank loan over 5 years by instalments (loan repaid during the year):	-	775
Interest on Corporation Tax	-	19
	<hr/>	<hr/>
	18	1,346
	<hr/>	<hr/>

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 1997 continued...**

6. **EXCEPTIONAL ITEM**

	1997	1996
	£	£
Profit on Sale of Investment	-	9,750
Profit on Sale of Fixed Assets	344	-
	1997	

8. **TAXATION**

	1997	1996
	£	£
Corporation Tax 24% on profit adjusted for tax purposes	7,495	9,400
Adjustment in respect of previous years	(12)	-
	7,483	9,400

9. **TANGIBLE FIXED ASSETS**

	<u>FIXTURES & FITTINGS</u>	<u>EQUIPMENT & ALARM SYS</u>	<u>MOTOR VEHICLES</u>	<u>BLDGS & ALT'S</u>	<u>TOTAL</u>
	£	£	£	£	£
COST or VALUATION					
At 1 April 1996	26,677	8,884	3,275	27,503	66,339
Additions	124	289	4,000	-	4,413
Disposals	-	-	(825)	-	(825)
At 31 March 1997	26,801	9,173	6,450	27,503	69,927
DEPRECIATION					
At 1 April 1996	21,404	6,282	1,231	19,641	48,558
Charge for the Year	2,794	1,045	1,613	3,887	9,339
Disposals	-	-	(619)	-	(619)
At 31 March 1997	24,198	7,327	2,225	23,528	57,278
NET BOOK VALUE					
At 31 March 1997	2,603	1,846	4,225	3,975	12,649
At 31 March 1996	5,273	2,602	2,044	7,862	17,781

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 1997 continued...**

10. <u>STOCKS</u>	1997	1996
	£	£
Goods for Resale and Dispensing	31,090	26,670
11. <u>DEBTORS</u>	1997	1996
	£	£
Trade Debtors	104,710	81,550
Other Debtors and Prepayments	15,124	11,860
	119,834	93,410
12. <u>INVESTMENTS</u>	1997	1996
	£	£
Listed in the UK cost	49	49
Market Value	223	237
Tax on Potential Capital Gain if Sold At Market Value	42	47
13. <u>CREDITORS</u>	1997	1996
	£	£
Amounts falling due within one year:		
Bank Overdraft	105,541	72,166
Trade Creditors	15,205	15,770
Other Creditors	16,904	3,345
Accruals and Deferred Income	4,023	1,460
Corporation Tax	7,495	9,378
	149,168	102,119

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

14. <u>CREDITORS</u>	1997	1996
	£	£
Amounts falling due after more than one year:	-	-

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 1997 continued...****15. DEFERRED TAXATION**

There is no provision for Deferred Taxation, as the Tax written down value of assets exceeds their balance sheet value.

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 (1996 £1,200). There were no contributions outstanding at 31 March 1997.

17. SHARE CAPITAL

Authorised and allotted share capital

At 31 March 1997 and At 31 March 1996

	<u>Authorised</u>	<u>Allotted, Called Up</u>
	<u>Number</u>	<u>and Fully Paid</u>
		<u>£</u>
£1 Ordinary Shares	<u>1,000</u>	<u>100</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	1997	1996
	£	£
Profit for the financial year	12,632	26,637
Shareholders funds at 31 March 1996	38,425	11,788
Shareholders Funds at 31 March 1997	<u>51,057</u>	<u>38,425</u>

19. EMPLOYEES AND DIRECTORS**a) Employees**

The average number of employees (including Directors) employed by the Company during the year was:

Costs in Respect of these employees

Wages and salaries

Social Security Costs

Other Pension Costs

1997

1996

9

7

£

£

55,348

31,004

2,951

1,491

1,200

1,200

59,499

33,695

PIRMO CHEMISTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 1997 continued...****19. EMPLOYEES AND DIRECTORS (CONTINUED)**

	<u>1997</u>	<u>1996</u>
b) <u>Directors</u>	<u>£</u>	<u>£</u>
Emoluments	3,170	2,880
Pension Costs	1,200	1,200
	<u>4,370</u>	<u>4,080</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

The properties occupied by the Company are owned by the Director who is paid rent of £16,800 (1996 £16,800).