

Registers

Company Registration Number

2579005

NEIL FERGUSON (CHEMIST) LIMITED

ACCOUNTS

For the year ended 31 March 1999

COOPER LANCASTER BREWERS
Chartered Accountants
MANCHESTER



NEIL FERGUSON (CHEMIST) LIMITED

Directors	Brian S Sheppard Patricia A Sheppard John G Ottolini Mark B B Sheppard
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Secretary	Brian S Sheppard
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Auditors	Cooper Lancaster Brewers Century House 11 St Peters' Square Manchester M2 3DN
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Bankers	T S B Bank plc 10 Booth Street Manchester M15 4PU
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Registered Office	Charlotte House 10 Charlotte Street Manchester M1 4FL
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NEIL FERGUSON (CHEMIST) LIMITED

Report of the Directors

The Directors submit their report to the shareholders, together with the audited accounts, for the year ended 31 March 1999.

Principal Activity

The principal activity of the Company is that of retail and dispensing chemists.

Directors' Interests

The Directors who served during the year and their interests in the share capital of the Company at the beginning and end of the year, were as follows:

		Ordinary shares of £1 each	
		1999	1998
Brian S Sheppard	- Beneficial	630	630
	- Non beneficial	1,501	1,501
Patricia A Sheppard		-	-
John G Ottolini		-	-
Mark B B Sheppard		1,499	1,499

Year 2000 Compliance

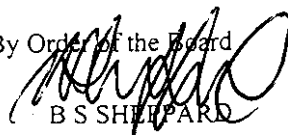
The Directors do not consider that there are any potential risks to the business on the date change to the year 2000. The overall costs involved in the year 2000 scenario is not significant to the Company.

Auditors

Cooper Lancaster Brewers have indicated their agreement to continue as auditors.

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

Charlotte House
10 Charlotte Street
Manchester M1 4FL
26 October 1999

By Order of the Board

B S SHEPPARD
Secretary

NEIL FERGUSON (CHEMIST) LIMITED

Statement of 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:

- select suitable accounting policies and then apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- follow applicable accounting standards 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 REPORT

To the Shareholders of Neil Fergusson (Chemist) Limited

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and in accordance with the accounting policies set out on pages 7 and 8.

Respective responsibilities of Directors and Auditors

As described on page three 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.

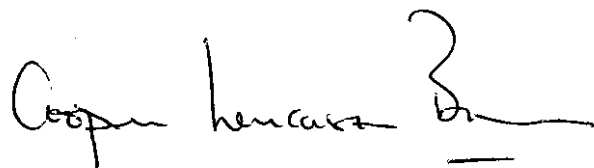
Basis of opinion

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 of error. In forming our opinion we also evaluate 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 at 31 March 1999, and of the loss of the Company for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



COOPER LANCASTER BREWERS

26 October 1999

Chartered Accountants
Registered Auditors

NEIL FERGUSON (CHEMIST) LIMITED

Profit and Loss Account

For the year ended 31 March 1999

	Note	1999 £	1998 £
Turnover - Continuing operations	1	1,339,218	1,369,643
Cost of sales		(1,104,503)	(1,121,915)
Gross profit		234,715	247,728
Net operating expenses	2	(296,506)	(270,154)
Operating loss - Continuing operations	3	(61,791)	(22,426)
Loss on disposal of fixed assets		(29,011)	-
Exceptional item	4	(106,375)	-
(Loss) profit on ordinary activities before interest		(197,177)	(22,426)
Net interest payable and similar charges	5	(681)	(1,886)
(Loss) profit on ordinary activities before taxation		(197,858)	(24,312)
Taxation on ordinary activities	6	-	-
Transfer (from) to reserves	13	(197,858)	(24,312)

Statement of Total Recognised Gains and Losses

There were no recognised gains or losses, other than the loss (1998 loss) for the year.

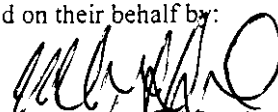

NEIL FERGUSON (CHEMIST) LIMITED

Balance Sheet At 31 March 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	7	16,137	204,143
Investments	8	4,858	4,858
		20,995	209,001
Current assets			
Stock		92,680	89,225
Debtors	9	156,269	154,705
Cash at bank and in hand		24,068	200
		273,017	244,130
Creditors			
Amounts falling due within one year	10	(272,034)	(233,295)
Net current assets		983	10,835
Total assets less current liabilities		21,978	219,836
Capital and reserves			
Called up share capital	11	3,630	3,630
Share premium account	12	324,106	324,106
Profit and loss account	13	(305,758)	(107,900)
Equity shareholders' funds	14	21,978	219,836

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

These accounts were approved by the Directors on 26 October 1999 and approved on their behalf by:


B S SHEPPARD

J G OTTOLINI

Directors

NEIL FERGUSON (CHEMIST) LIMITED

Statement of Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention.

Consolidation

The financial statements contain information about Neil Ferguson (Chemist) Limited as an individual Company and do not contain consolidated financial information as the parent of a group as the Company is exempt from such disclosure under section 229 (5) of the Companies Act 1985.

Turnover

Turnover represents the value of goods sold, excluding discounts and value added tax, to customers in the United Kingdom.

Depreciation

Depreciation is provided annually on a straight line basis over the estimated useful lives of tangible fixed assets. The principal rates in use are:

Equipment and fixtures	10% - 20%
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Stock

Stock is professionally valued at the lower of cost and net realisable value.

Operating leases

Operating lease rentals are charged as an expense in the profit and loss account over the lease term.

Deferred taxation

Deferred taxation is provided for where, in the opinion of the Directors, a liability is likely to arise in the foreseeable future.

Cash flow statement

The Company has taken advantage of the exemptions conferred by Financial Reporting Standard No 1 and has not produced a cash flow statement on the grounds that it is a small company.

NEIL FERGUSON (CHEMIST) LIMITED

Statement of Accounting Policies (continued)

Pensions

The Company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Pension costs are charged against profits as they become payable to the scheme.

NEIL FERGUSON (CHEMIST) LIMITED

Notes on the Accounts

At 31 March 1999

	1999 £	1998 £
1 Turnover		
Turnover represents the amounts receivable for goods and services supplied, exclusive of value added tax, all in the United Kingdom.		
2 Net operating expenses		
Administrative and establishment expenses	299,586	280,894
Management fees	(3,080)	(10,740)
	<u>296,506</u>	<u>270,154</u>
3 Operating loss		
This is stated after charging the following :		
Directors' remuneration : - aggregate emoluments	58,101	60,901
Auditors' remuneration	5,000	4,630
Depreciation	2,304	1,315
Operating leases - plant and equipment	4,645	8,826
Rent - land and building	14,625	14,625
	<u></u>	<u></u>
4 Exceptional item		
Realised loss on investment	106,375	-
	<u></u>	<u></u>
5 Net interest payable and similar charges		
Interest payable	1,447	2,092
Interest receivable	(766)	(206)
	<u>681</u>	<u>1,886</u>
6 Taxation		
It is considered that any potential corporation tax charge at 31 March 1999 will be covered by trading losses.		

NEIL FERGUSON (CHEMIST) LIMITED

Notes on the Accounts (continued) At 31 March 1999

	Freehold land and buildings £	Equipment & fixtures £	Motor Vehicles £	Total £
7 Tangible fixed assets				
Cost :				
At 1 April 1998	185,702	48,586	50,367	284,655
Additions	-	-	-	-
Disposals	(185,702)	(6,130)	-	(191,832)
At 31 March 1999	-	42,456	50,367	92,823
Depreciation :				
At 1 April 1998	-	30,145	50,367	80,512
Provided during the year	-	2,304	-	2,304
Disposals	-	(6,130)	-	(6,130)
At 31 March 1999	-	26,319	50,367	76,686
Net book value :				
At 31 March 1999	-	16,137	-	16,137
At 31 March 1998	185,702	18,441	-	204,143

	1999 £	1998 £
8 Investments		
<u>Subsidiary undertaking</u>		
Cost :		
At 1 April 1998	15,962	15,962
Diminution in value	(11,104)	(11,104)
At 31 March 1999	4,858	4,858
	% ordinary share capital held	Principal Activity
Parcote Limited	100	Non-trading

The subsidiary undertaking is registered in England.

NEIL FERGUSON (CHEMIST) LIMITED

Notes on the Accounts (continued) At 31 March 1999

	1999 £	1998 £
9 Debtors		
Trade debtors	117,545	108,776
Other debtors	324	412
Value added tax	25,532	26,524
Prepayments and accrued income	12,868	18,993
	<u>156,269</u>	<u>154,705</u>
10 Creditors		
Due within one year :		
Bank overdraft	-	28,614
Trade creditors	211,031	187,782
Amounts owed to group undertaking	4,858	4,858
Other taxes and social security	3,892	5,012
Other creditors	43,860	715
Accruals and deferred income	8,393	6,314
	<u>272,034</u>	<u>233,295</u>
11 Share capital		
Authorised :		
Ordinary shares of £1 each	100,000	100,000
Issued, allotted and fully paid :		
Ordinary shares of £1 each	3,630	3,630

NEIL FERGUSON (CHEMIST) LIMITED

Notes on the Accounts (continued) At 31 March 1999

	1999 £	1998 £
12 Share premium account		
At 1 April 1998	324,106	277,486
Premium on issue of shares	-	46,620
At 31 March 1999	324,106	324,106
13 Profit and loss account		
At 1 April 1998	(107,900)	(83,588)
Loss for the year	(197,858)	(24,312)
At 31 March 1999	(305,758)	(107,900)
14 Reconciliation of movements in equity shareholders' funds		
Net loss for the financial year	(197,858)	(24,312)
Proceeds on issue of ordinary shares	-	47,250
Net movement in equity shareholders' funds	(197,858)	22,938
Equity shareholders' funds:		
At 1 April 1998	219,836	196,898
At 31 March 1999	21,978	219,836
15 Leasing commitments		
At 31 March 1999, the Company had annual commitments under non-cancellable operating leases as follows :		
Plant and equipment		
Operating leases which expire:		
Within one year - plant and machinery	4,439	6,900
- land and buildings	14,625	14,625

NEIL FERGUSON (CHEMIST) LIMITED

Notes on the Accounts (continued) At 31 March 1999

16 Pensions

The pension cost charge represents contributions payable by the Company to independently administered funds and amounted to £1,296 (1998: £813). There were prepaid contributions at 31 March 1999 of £1,296 (1998: £1,296).

17 Ultimate control

The Company is considered to be controlled by Mr B S Sheppard, a Director of the Company.

18 Related party transactions

- 1) During the year the company received interest free advances and paid management charges to Galleon Securities Limited (Advances: £25,000, Charges: £859), a company controlled by Mr B S Sheppard. The disposal of the Chester Street property includes beneficial interest to Galleon Securities Limited which remains outstanding as at 31 March 1999. The amount owing to this company is £30,834 (1998: £Nil).
 - 2) Amount due in respect of fees for the administration of properties owned by Mr B S Sheppard is £7,500. Mr Sheppard is a director of the company, and there were no charges during the year (1998: £1,500).
 - 3) During the year the Company received and paid management fees of a net amount paid £3,786 (1998: £9,240) to Manchester & London Investment Trust plc. This company is ultimately controlled by Mr B S Sheppard. The balance owing at 31 March 1999 is £13,026, (1998: £Nil).
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