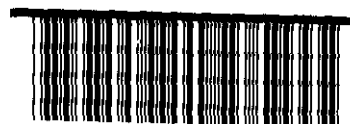


COMPANY REGISTRATION NUMBER 2718719

A K CHEMISTS LIMITED
FINANCIAL STATEMENTS
FOR
31st DECEMBER 2002



A34 *REUSMPGB* 0509
COMPANIES HOUSE 24/10/03

ALAN RUSH & CO.
Chartered Accountants
1349/1353 London Road
Leigh-on-Sea
Essex
SS9 2AB

A K CHEMISTS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2002

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A K CHEMISTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Miss S K Varma Mrs S C Varma Mr S S Varma
Company secretary	Mrs S C Varma
Registered office	2 St. Mary's Close Shoeburyness Essex SS3 8XN
Accountants	Alan Rush & Co. Chartered Accountants 1349/1353 London Road Leigh-on-Sea Essex SS9 2AB

A K CHEMISTS LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31st DECEMBER 2002

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st December 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of retail pharmacy.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2002	At 1 January 2002
Miss S K Varma	—	—
Mrs S C Varma	1	1
Mr S S Varma	<u>1</u>	<u>1</u>

SMALL COMPANY PROVISIONS

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

Registered office:
2 St. Mary's Close
Shoeburyness
Essex
SS3 8XN

Signed by order of the directors

.....*S. C. Varma*
MRS S C VARMA
Company Secretary

Approved by the directors on 20th October 2003

A K CHEMISTS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31st DECEMBER 2002

	Note	2002 £	2001 £
TURNOVER		405,393	368,908
Cost of sales		302,816	268,990
GROSS PROFIT		102,577	99,918
Administrative expenses		64,618	70,724
Other operating income		(4,200)	(4,200)
OPERATING PROFIT	2	42,159	33,394
Interest receivable		16	3
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		42,175	33,397
Tax on profit on ordinary activities	3	8,494	7,639
RETAINED PROFIT FOR THE FINANCIAL YEAR		33,681	25,758
Balance brought forward		107,452	81,694
Balance carried forward		141,133	107,452

The notes on pages 6 to 8 form part of these financial statements.

A K CHEMISTS LIMITED

BALANCE SHEET

31st DECEMBER 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Intangible assets	4		—		2,750
Tangible assets	5		3,519		4,140
			<u>3,519</u>		<u>6,890</u>
CURRENT ASSETS					
Stocks		46,878		50,750	
Debtors	6	67,481		49,899	
Cash at bank and in hand		45,921		20,928	
		<u>160,280</u>		<u>121,577</u>	
CREDITORS: Amounts falling due within one year	7	<u>22,664</u>		<u>21,013</u>	
NET CURRENT ASSETS			<u>137,616</u>		<u>100,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>141,135</u>		<u>107,454</u>

The Balance sheet continues on the following page.
The notes on pages 6 to 8 form part of these financial statements.

A K CHEMISTS LIMITED

BALANCE SHEET *(continued)*

31st DECEMBER 2002

	Note	2002 £	2001 £
CAPITAL AND RESERVES			
Called-up equity share capital	9	2	2
Profit and loss account		141,133	107,452
SHAREHOLDERS' FUNDS		<u>141,135</u>	<u>107,454</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 20th October 2003 and are signed on their behalf by:


.....
MRS S C VARMA


.....
MR S S VARMA

The notes on pages 6 to 8 form part of these financial statements.

A K CHEMISTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% on cost

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 15% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2002 £	2001 £
Directors' emoluments	—	—
Amortisation	2,750	5,500
Depreciation of owned fixed assets	<u>621</u>	<u>731</u>

A K CHEMISTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2002

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002 £	2001 £
Current tax:		
UK Corporation tax based on the results for the year at 19% (2001 - 20%)	8,494	7,639
Total current tax	<u>8,494</u>	<u>7,639</u>

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2002 and 31st December 2002	<u>55,000</u>
AMORTISATION	
At 1st January 2002	52,250
Charge for the year	<u>2,750</u>
At 31st December 2002	<u>55,000</u>
NET BOOK VALUE	
At 31st December 2002	<u>-</u>
At 31st December 2001	<u>2,750</u>

5. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
COST	
At 1st January 2002 and 31st December 2002	<u>17,309</u>
DEPRECIATION	
At 1st January 2002	13,169
Charge for the year	<u>621</u>
At 31st December 2002	<u>13,790</u>
NET BOOK VALUE	
At 31st December 2002	<u>3,519</u>
At 31st December 2001	<u>4,140</u>

A K CHEMISTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2002

6. DEBTORS

	2002	2001
	£	£
Trade debtors	35,085	28,218
VAT recoverable	31,867	20,911
Prepayments and accrued income	529	770
	<u>67,481</u>	<u>49,899</u>

7. CREDITORS: Amounts falling due within one year

	2002		2001
	£	£	£
Trade creditors		4,574	4,419
Other creditors including taxation:			
Corporation tax	8,494		7,639
Directors current accounts	7,531		7,531
Accruals and deferred income	<u>2,065</u>		<u>1,424</u>
		<u>18,090</u>	<u>16,594</u>
		<u>22,664</u>	<u>21,013</u>

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr S K Varma, a director and member of his close family throughout the current and previous year. Mr S K Varma is personally interested in 50% (2001 - 50%) of the company's share capital.

No other transactions with related parties were undertaken such as are required to be disclosed.

9. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2002		2001
	No	£	No
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>