

THE ORGANIC PHARMACY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2002



MODIPLUS+
Chartered Accountants
200 West End Lane
West Hampstead
London NW6 1SG

THE ORGANIC PHARMACY LIMITED

COMPANY INFORMATION

DIRECTORS	Mr F Marrone Mrs M Marrone
SECRETARY	Mrs M Marrone
COMPANY NUMBER	4022675
REGISTERED OFFICE	200 West End Lane West Hampstead London NW6 1SG
ACCOUNTANTS	modiplus+ Chartered Accountants 200 West End Lane West Hampstead London NW6 1SG

THE ORGANIC PHARMACY LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 7
<i>The following pages do not form part of the statutory accounts:</i>	
Detailed profit and loss account and summaries	8 - 9

THE ORGANIC PHARMACY LIMITED

DIRECTORS' REPORT For the year ended 30 June 2002

The directors present their report and the financial statements for the year ended 30 June 2002.

PRINCIPAL ACTIVITIES

The company's principal activity during the period was that of a organic pharmacy and therapy.

The company was incorporated on 28 June 2000 and commenced to trade on 11 February 2002. As anticipated, the first year of operation has made a loss. However, the directors are confident that the forthcoming year to 30/06/03 will show a marked improvement in profits. The current weekly turnover is over £6,000 and this is expected to increase to £10,000 per week from February 2003.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £25 each	
	<u>30/6/02</u>	<u>1/7/01</u>
Mr F Marrone	1,400	1
Mrs M Marrone	1,400	1

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

This report was approved by the board on 18 September 2002 and signed on its behalf.



Mrs M Marrone
Secretary

THE ORGANIC PHARMACY LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF THE ORGANIC PHARMACY LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 June 2002 set out on pages 3 to 7 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records of the company and from information and explanations supplied to us.

modiplus

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Chartered Accountants

200 West End Lane
West Hampstead
London NW6 1SG

27 September 2002

THE ORGANIC PHARMACY LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 30 June 2002

	Note	2002 £
TURNOVER	1	65,887
Cost of sales		(26,506)
GROSS PROFIT		39,381
Administrative expenses		(93,254)
Other operating income	2	3,000
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(50,873)
TAX ON LOSS ON ORDINARY ACTIVITIES		-
RETAINED LOSS FOR THE FINANCIAL YEAR		£ (50,873)

The notes on pages 5 to 7 form part of these financial statements.

THE ORGANIC PHARMACY LIMITED


BALANCE SHEET As at 30 June 2002

	Note	30 June 2002 £	£
FIXED ASSETS			
Tangible fixed assets	4		124,810
CURRENT ASSETS			
Stocks		56,195	
Debtors	5	29,293	
Cash at bank and in hand		22,457	
		<u>107,945</u>	
CREDITORS: amounts falling due within one year	6	<u>(70,987)</u>	
NET CURRENT ASSETS			<u>36,958</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>161,768</u>
CREDITORS: amounts falling due after more than one year	7		<u>(142,641)</u>
NET ASSETS			<u><u>£ 19,127</u></u>
CAPITAL AND RESERVES			
Called up share capital	8		70,000
Profit and loss account			(50,873)
SHAREHOLDERS' FUNDS			<u><u>£ 19,127</u></u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2002 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the board on 18 September 2002 and signed on its behalf.


Mr F Marrone
Director


Mrs M Marrone
Director

The notes on pages 5 to 7 form part of these financial statements.

THE ORGANIC PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold premises	- Over tenure life of lease
Furniture, fix, fittings and equipment	- 20% reducing balance

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. OTHER OPERATING INCOME

	2002 £
Rent received	3,000

3. OPERATING LOSS

The operating loss is stated after charging:

	2002 £
Depreciation of tangible fixed assets: - owned by the company	8,703

During the year, no director received any emoluments.

THE ORGANIC PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2002

4. TANGIBLE FIXED ASSETS

	Leasehold premises	Furniture, fixtures, fittings and equipment	Total
	£	£	£
Cost			
Additions	43,606	89,907	133,513
At 30 June 2002	43,606	89,907	133,513
Depreciation			
Charge for the year	1,211	7,492	8,703
At 30 June 2002	1,211	7,492	8,703
Net book value			
At 30 June 2002	£ 42,395	£ 82,415	£ 124,810

5. DEBTORS

	2002 £
Due within one year	
Rent deposit and other debtors	£ 29,293

6. CREDITORS: Amounts falling due within one year

	2002 £
Bank loans and overdrafts	38,746
Trade creditors	22,938
Social security and other taxes	3,197
Other creditors and accruals	6,106
	£ 70,987

THE ORGANIC PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2002

7. CREDITORS: Amounts falling due after more than one year

	2002 £
Bank Loans	106,104
Directors' loan account	36,537
	<u>£ 142,641</u>

Included within the above are amounts falling due within 1-5 years.

8. SHARE CAPITAL

	2002 £
Authorised, allotted, called up and fully paid	
2,800 Ordinary shares of £25 each	<u>£ 70,000</u>

During the year 2798 ordinary shares of £25 each were issued fully paid for cash at par.

9. CONTROLLING PARTY

The company was under the control of the directors, Mr F Marrone and Mrs M Marrone, throughout the current period, by virtue of the fact that between them they own 100% of the issued share capital of company.