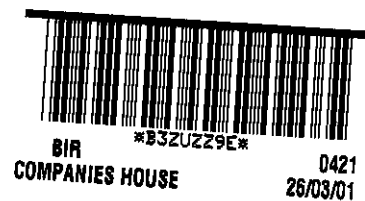


**COMPANY NUMBER:
3204903 (ENGLAND & WALES)**

**YEW TREE PHARMACY LIMITED
ABBREVIATED STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2000**

**BAYLISS & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
25 LORDSWOOD ROAD
HARBORNE
BIRMINGHAM
B17 9RP**



YEW TREE PHARMACY LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2000

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AUDITORS' REPORT TO YEW TREE PHARMACY LIMITED

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985.

We have examined the abbreviated financial statements on pages 2 to 6 together with the full financial statements of Yew Tree Pharmacy Limited for the year ended 31 May 2000, prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

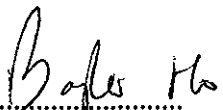
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 6 are properly prepared in accordance with those provisions.


.....
Bayliss & Co
Chartered Accountants
Registered Auditors
25 Lordswood Road
Harborne
Birmingham
B17 9RP

1 March 2001

YEW TREE PHARMACY LIMITED


ABBREVIATED BALANCE SHEET

AT 31 MAY 2000

	Note	2000	1999
		£	£
FIXED ASSETS			
Intangible Assets	2	85,000	90,000
Tangible Assets	3	17,251	17,839
Investments		75,000	-
		<u>177,251</u>	<u>107,839</u>
CURRENT ASSETS			
Stocks		35,553	40,549
Debtors	5	86,805	105,223
Cash at bank and in hand		86,598	113,667
		<u>208,956</u>	<u>259,439</u>
CREDITORS			
Amounts falling due within one year		47,606	31,339
		<u></u>	<u></u>
NET CURRENT ASSETS		161,350	228,100
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>338,601</u>	<u>335,939</u>
NET ASSETS		<u>£338,601</u>	<u>£335,939</u>
CAPITAL AND RESERVES			
Called up share capital	6	335,002	335,002
Profit and loss account		3,599	937
SHAREHOLDERS' FUNDS		<u>£338,601</u>	<u>£335,939</u>

In preparing these abbreviated financial statements the directors have taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 1 March 2001 and signed on its behalf.


M Galyas

The annexed notes form part of these financial statements.

YEW TREE PHARMACY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2000

1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

CASH FLOW STATEMENT

The Company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

TURNOVER

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

DEPRECIATION AND DIMINUTION IN VALUE OF ASSETS

Tangible fixed assets are stated at cost less depreciation.

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

Leasehold additions	- 20% per annum of cost
Motor vehicles	- 25% per annum of cost
Fixtures and fittings	- 20% per annum of cost
Goodwill	- 5% per annum of cost

STOCKS

Stocks and work in progress 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.

DEBTORS

The Directors have decided that no provision is required for bad or doubtful debts.

DEFERRED TAXATION

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

LEASING

Rentals paid under operating leases are charged to the profit & loss account on straight line basis over the term of the lease.

YEW TREE PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MAY 2000

GOODWILL

Goodwill is the difference between the amount paid on the acquisition of a business and the aggregate fair value of its separable net assets. It is being written off in equal annual instalments over its estimated economic life.

PENSION COSTS

The company operates a defined contribution pension scheme and pension contributions are charged to profit and loss account as they are paid over by the company.

2. INTANGIBLE FIXED ASSETS

	Total £
Cost:	
At 1 June 1999	100,000
	<hr/>
At 31 May 2000	100,000
	<hr/>
Amortisation:	
At 1 June 1999	10,000
Charge for the year	5,000
	<hr/>
At 31 May 2000	15,000
	<hr/>
Net book value:	
At 31 May 2000	£ 85,000
	<hr/>
At 31 May 1999	£ 90,000
	<hr/> <hr/>

YEW TREE PHARMACY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MAY 2000

3. TANGIBLE FIXED ASSETS

	Total £
Cost:	
At 1 June 1999	31,309
Additions	8,999
Disposals	(4,522)
	<hr/>
At 31 May 2000	35,786
	<hr/>
Depreciation:	
At 1 June 1999	13,470
Charge for the year	7,608
Eliminated on disposal	(2,543)
	<hr/>
At 31 May 2000	18,535
	<hr/>
Net book value:	
At 31 May 2000	£17,251
	<hr/>
At 31 May 1999	£17,839
	<hr/> <hr/>

4. INVESTMENTS

	Total £
Cost	
Additions	75,000
	<hr/>
At 31 May 2000	75,000
	<hr/>
Net book value:	
At 31 May 2000	£75,000
	<hr/> <hr/>

5. DEBTORS

Included in other debtors is an amount of £7,930 due from the directors and this is repayable on demand.

YEW TREE PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MAY 2000

6. SHARE CAPITAL

	2000	1999
	£	£
AUTHORISED		
Ordinary shares of £1 each	500,000	500,000
	<u> </u>	<u> </u>
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
Ordinary shares of £1 each	335,002	335,002
	<u> </u>	<u> </u>

7. TRANSACTIONS WITH DIRECTORS AND OFFICERS

The directors' had a loan from the company during the year which had a maximum value of £35,696 .The balance at 31 May 2000 is £7,930 and is repayable on demand.