

REGISTERED NUMBER: 02405454

England and Wales

G K R LIMITED

ANNUAL REPORT AND ACCOUNTS

31ST AUGUST 1996



G K R LIMITED

DIRECTORS G Ratcliffe - Chairman
K J Ratcliffe

SECRETARY K J Ratcliffe

REGISTERED OFFICE 29 Charlemont Road
WALSALL
West Midlands
WS5 3NG

REGISTERED NUMBER 02405454 England and Wales

AUDITORS Latham & Co
Chartered Accountants
2a Erdington Road
Aldridge
Walsall
West Midlands
WS9 8UH

ANNUAL REPORT AND ACCOUNTS – 31ST AUGUST 1996

Pages	1-2	Report of the directors
	3	Report of the auditors
		Accounts, comprising:
	4	Profit and Loss Account
	5	Balance Sheet
	6-8	Notes to Accounts

The following pages do not form part of the statutory accounts:

9-11 Detailed Accounts

G K R LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report with the accounts of the company for the year ended 31st August 1996.

Principal Activity

The principal activity of the company in the year under review was the running of a chemists shop.

Directors

The directors in office in the year and their beneficial interests in the company's issued share capital were as follows:

	31.8.96	1.9.95
G Ratcliffe	51	51
K J Ratcliffe	51	51
	<u>102</u>	<u>102</u>

The directors have no interest in the shares of any other group company, including rights to subscribe for shares.

In accordance with the Articles of Association, K Ratcliffe retired by rotation and offers herself for re-election.

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of its profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- * select suitable accounting policies then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- * prepare the accounts 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 accounts 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.

Political and Charitable Contributions

During the year the company made no political or charitable contributions.

G K R LIMITED
REPORT OF THE DIRECTORS
(continued)

Auditors

The Auditors, Latham & Co., are deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.

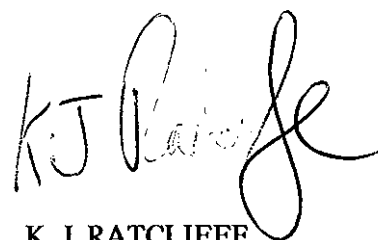
Signed on behalf of the board of directors



G RATCLIFFE

.....

Director



K J RATCLIFFE

.....

Secretary

5th February 1997

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
G K R LIMITED**

We have audited the accounts on pages 4 to 11 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 page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also included an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 accounts are free from material misstatement, whether caused by fraud or other irregularities or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31st August 1996 its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Latham & Co
2a Erdington Road
Aldridge
WALSALL
WS9 8UH

5th February 1997

G K R LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31st August 1996

	Notes	1996	1995
TURNOVER	2	356,733	437,707
Cost of Sales		255,320	313,412
GROSS PROFIT		101,413	124,295
Administrative Expenses		64,097	92,808
OPERATING PROFIT		37,316	31,487
Profit on Sale of Shop		10,152	-
PROFIT on Ordinary Activities before Taxation		47,468	31,487
TAXATION		8,863	7,758
PROFIT for the Financial Year after Taxation		38,605	23,729
DIVIDENDS		20,000	16,000
RETAINED Profit for the Financial Year		18,605	7,729
RETAINED PROFIT at 1.9.95		22,749	15,020
RETAINED PROFIT at 31.8.96		41,354	22,749

Continuing Operations

None of the company's activities were acquired or discontinued during the above two financial years. Shop at Wheelwright Road, Erdington, Birmingham Sold in the year.

G K R LIMITED**BALANCE SHEET**

as at 31st August 1996

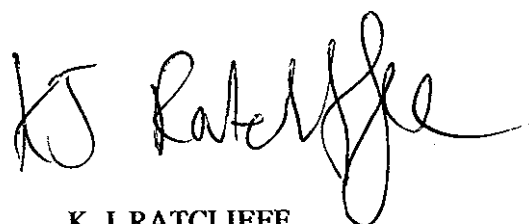
	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible Assets	4	40,140	102,965
CURRENT ASSETS			
Stocks	5	18,016	38,444
Debtors	6	37,398	61,200
Cash in Hand		372	369
		<u>55,786</u>	<u>100,013</u>
CREDITORS: amounts falling due within one year	7	<u>46,941</u>	<u>115,858</u>
NET CURRENT ASSETS		<u>8,845</u>	<u>(15,845)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		48,985	87,120
CREDITORS: amounts falling due after more than one year	8	<u>7,529</u>	<u>64,269</u>
		<u>41,456</u>	<u>22,851</u>
CAPITAL AND RESERVES			
Called up Share Capital	9	102	102
Profit and Loss Account	10	<u>41,354</u>	<u>22,749</u>
		<u>41,456</u>	<u>22,851</u>

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

Signed on behalf of the board of directors


G RATCLIFFE

Director


K J RATCLIFFE

Secretary

5th February 1997

G K R LIMITED

NOTES TO THE ACCOUNTS - 31ST AUGUST 1996

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Cash Flow

The accounts 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 Financial Reporting Standard 1 'Cash Flow Statements'.

Turnover

Turnover represents net sales excluding VAT.

Tangible Fixed Assets

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and Fittings	15% Reducing Balance
Motor Vehicles	25% " "

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

2. TURNOVER

Turnover, included no direct exports (1995 NIL).

3. OPERATING PROFIT

The operating profit is stated after charging:

	1996	1995
	£	£
Depreciation of tangible fixed assets	(1,700)	3,070
Auditors' Remuneration	1,795	1,995
	<u> </u>	<u> </u>
Directors' Emoluments for service as directors	4,984	5,389
	<u> </u>	<u> </u>

G K R LIMITED

NOTES TO THE ACCOUNTS - 31ST AUGUST 1996

(continued)

4	TANGIBLE ASSETS	Goodwill	Freehold Property	Fixtures & Fittings	Motor Vehicles
a.	<u>Cost</u>				
	At 1.9.95	57,500	31,025	23,642	18,688
	Additions	-	-		21,900
	Disposals	40,000	31,025	10,000	18,688
	At 31.8.96	<u>17,500</u>	<u>-</u>	<u>13,642</u>	<u>21,900</u>
b.	<u>Accumulated Depreciation</u>				
	At 1.9.95	-	-	12,527	15,363
	Charge for the year	-	-	1,100	5,475
	Disposals	-	-	6,200	15,363
	At 31.8.96	<u>-</u>	<u>-</u>	<u>7,427</u>	<u>5,475</u>
c.	<u>Net Book Values</u>				
	At 31.8.96	<u>17,500</u>	<u>-</u>	<u>6,215</u>	<u>16,425</u>
5.	STOCKS			1996	1995
				£	£
	Stocks			18,016	38,444
	Payments on Account			-	-
				<u>18,016</u>	<u>38,444</u>
6.	DEBTORS			1996	1995
				£	£
	Trade Debtors			35,452	57,830
	Others			1,946	3,370
				<u>37,398</u>	<u>61,200</u>
7.	CREDITORS: Amounts falling due within one year			1996	1995
				£	£
	Bank Loans and overdrafts (secured)			18,980	69,508
	Trade Creditors			16,968	36,371
	Other Creditors			10,993	9,979
				<u>46,941</u>	<u>115,858</u>

G K R LIMITED

NOTES TO THE ACCOUNTS - 31ST AUGUST 1996

(continued)

8.	CREDITORS: Amounts falling due after more than one year		
		1996	1995
		£	£
	Directors Loan Account	<u>7,529</u>	<u>64,269</u>
9.	CALLED UP SHARE CAPITAL	1996	1995
		£	£
	Authorised 500,000 Ordinary Shares of £1 ea	<u>500,000</u>	<u>500,000</u>
	Allotted, called up and fully paid		
	102 Ordinary Shares of £1 ea	<u>102</u>	<u>102</u>
10.	RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS FUNDS		
		£	£
	Profit for the financial year after taxation	38,605	23,729
	Dividends	<u>20,000</u>	<u>16,000</u>
		18,605	7,729
	Other recognised gains relating to the year	-	-
	New share capital subscribed	-	-
		<u>18,605</u>	<u>7,729</u>
	Opening shareholders' funds at 1.9.95	<u>22,749</u>	<u>15,020</u>
	Closing shareholders' funds at 31.8.96	<u>41,354</u>	<u>22,749</u>
11.	CONTINGENT LIABILITIES		
	There are no contingent liabilities not provided for to the knowledge of the Directors.		
12.	COMMITMENTS		
	There were no capital commitments at 31.8.96 (1995 NIL).		

G K R LIMITED**BALANCE SHEET**

as at 31st August 1996

1995		1996
102	SHARE CAPITAL	102
22,749	RESERVES	41,354
<u>22,851</u>	TOTAL SHAREHOLDERS FUNDS	£ <u>41,456</u>
REPRESENTED BY:		
FIXED ASSETS		
31,025	Freehold Property	-
11,115	Fixtures & Fittings	6,215
3,325	Motor Vehicles	16,425
57,500	Goodwill	17,500
<u>102,965</u>		<u>40,140</u>
CURRENT ASSETS		
38,444	Stock	18,016
61,200	Trade Debtors & Prepayments	37,398
369	Cash in Hand	<u>372</u>
<u>100,103</u>		<u>55,786</u>
202,978		95,926
LESS CURRENT LIABILITIES		
39,036	Creditors & Accrued Charges	19,541
7,314	Taxation	8,420
69,508	Bank Overdraft	18,980
64,269	Directors Loan Accounts	<u>7,529</u>
<u>180,127</u>		<u>54,470</u>
<u>22,851</u>		£ <u>41,456</u>

G K R LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st August 1996

1995		1996
	Profit for the year before charging the	
54,963	following:	50,752
	3,070 Depreciation of Fixed Assets (1,700)	
	1,995 Auditor's Remuneration 1,795	
	312 Interest on Bank Overdrafts 10	
	7,766 Interest on Loans 3,442	
	5,389 Director's Emoluments 4,984	
	<u>4,944</u> Pension Fund <u>4,905</u>	
<u>23,476</u>		<u>13,436</u>
31,487		37,316
	<u>Add Profit on sale of shop</u>	<u>10,152</u>
31,487		47,468
<u>7,758</u>	<u>Deduct</u> Taxation	<u>8,863</u>
23,729		38,605
	<u>Add</u> Unappropriated Profits	
<u>15,020</u>	brought forward at 1st September 1995	<u>22,749</u>
38,749		61,354
<u>16,000</u>	<u>Less</u> Dividend Paid	<u>20,000</u>
<u>22,749</u>	Unappropriated Profits carried forward	<u>£ 41,354</u>

G K R LIMITED

TRADING ACCOUNT

for the year ended 31st August 1996

1995	%		1996	%
437,707	100.0	Sales	356,733	100.0
<u>313,412</u>	<u>71.6</u>	Less Purchases	<u>255,320</u>	<u>71.6</u>
124,295	28.4	Gross Trading Profit	101,413	28.4
		Less		
20,365	4.7	Non-Productive Wages	14,602	4.1
5,947	1.4	Rent, Rates & Insurance	5,750	1.6
1,248	0.3	Lighting & Fuel	752	0.2
1,772	0.4	Repairs & Maintenance	829	0.2
3,011	0.7	Motor & Travelling Expenses	3,836	1.1
2,878	0.7	Printing, Stationery & Advertising	2,570	0.7
2,128	0.5	Sundry Expenses	3,905	1.1
9,793	2.2	Bank & Finance Charges	4,965	1.4
982	0.2	Telephone	662	0.2
3,070	0.7	Depreciation of Fixed Assets	(1,700)	(0.5)
1,995	0.5	Auditors' Remuneration	1,795	0.5
5,389	1.2	Director's Remuneration	4,984	1.4
4,944	1.1	Pension Fund	4,905	1.4
<u>29,286</u>	<u>6.7</u>	Locum Fees	<u>16,242</u>	<u>4.7</u>
<u>92,808</u>	<u>21.3</u>		<u>64,097</u>	<u>18.0</u>
<u>31,487</u>	<u>7.1</u>	Net Profit before Taxation	<u>£ 37,316</u>	<u>10.4</u>