

**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999**  
**FOR**  
**M HUSSAIN (CHEMISTS) LIMITED**



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**M HUSSAIN (CHEMISTS) LIMITED**

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**FOR THE YEAR ENDED 31 DECEMBER 1999**

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**M HUSSAIN (CHEMISTS) LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 1999**

<b>DIRECTORS:</b>	Mrs K Begum M Hussain
<b>SECRETARY:</b>	M Hussain
<b>REGISTERED OFFICE:</b>	1A Harnall Lane East Coventry West Midlands CVV1 5AE
<b>REGISTERED NUMBER:</b>	2200095 (England and Wales)
<b>AUDITORS:</b>	Thaper & Co Chartered Accountants Registered Auditors Harpal House 14 Holyhead Road Handsworth Birmingham B21 0LT
<b>BANKERS:</b>	Barclays Bank Plc Foleshill Branch 535 Foleshill Road Coventry CV6 5QJ

**M. HUSSAIN (CHEMISTS) LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 1999**

The directors present their report with the financial statements of the company for the year ended 31 December 1999.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of retail chemist shop.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

No interim dividend was paid during the year. The directors recommend a final dividend of £28 per share.

The total distribution of dividends for the year ended 31 December 1999 will be £28,000.

**DIRECTORS**

The directors during the year under review were:

Mrs K Begum  
M Hussain

The beneficial interests of the directors holding office on 31 December 1999 in the issued share capital of the company were as follows:

	31.12.99	1.1.99
<b>ordinary £1 shares</b>		
Mrs K Begum	499	499
M Hussain	501	501

**DIVIDENDS**

The final dividend of £46,000 is recommended for the year ended 31 December 1998.

**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 judgements and estimates that are reasonable and prudent;
- 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**

The auditors, Thaper & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

**ON BEHALF OF THE BOARD:**



M Hussain - SECRETARY

Dated: 26 September 2000

**M HUSSAIN (CHEMISTS) LIMITED**

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF**  
**M HUSSAIN (CHEMISTS) LIMITED**

We have audited the financial statements on pages four to eight which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page six.

**Respective responsibilities of directors and auditors**

As described on page two 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 or error. In forming our opinion we also evaluated 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 the company's affairs as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Thaper & Co  
Chartered Accountants  
Registered Auditors  
Harpal House  
14 Holyhead Road  
Handsworth  
Birmingham B21 0LT

Dated: 26 September 2000

**M HUSSAIN (CHEMISTS) LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1999**

		<b>1999</b>	<b>1998</b>
	Notes	£	£
<b>TURNOVER</b>		<b>671,542</b>	<b>649,091</b>
Cost of sales		<b>522,978</b>	<b>512,548</b>
<b>GROSS PROFIT</b>		<b>148,564</b>	<b>136,543</b>
Administrative expenses		<b>65,863</b>	<b>67,634</b>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>82,701</b>	<b>68,909</b>
Interest payable and similar charges	<b>4</b>	<b>74</b>	<b>9</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>82,627</b>	<b>68,900</b>
Tax on profit on ordinary activities	<b>5</b>	<b>17,188</b>	<b>14,582</b>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<b>65,439</b>	<b>54,318</b>
Dividends	<b>6</b>	<b>28,000</b>	<b>46,000</b>
		<b>37,439</b>	<b>8,318</b>
Retained profit brought forward		<b>132,728</b>	<b>124,410</b>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<b>£170,167</b>	<b>£132,728</b>

The notes form part of these financial statements

**M HUSSAIN (CHEMISTS) LIMITED****BALANCE SHEET**  
**31 DECEMBER 1999**

		<u>1999</u>		<u>1998</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	7		30,735		29,742
<b>CURRENT ASSETS:</b>					
Stocks		60,123		52,940	
Debtors	8	78,893		90,118	
Cash at bank and in hand		109,129		47,378	
		<u>248,145</u>		<u>190,436</u>	
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>107,713</u>		<u>86,450</u>	
<b>NET CURRENT ASSETS:</b>			<u>140,432</u>		<u>103,986</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£171,167</u>		<u>£133,728</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	10		1,000		1,000
Profit and loss account			<u>170,167</u>		<u>132,728</u>
<b>SHAREHOLDERS' FUNDS:</b>			<u>£171,167</u>		<u>£133,728</u>

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

**ON BEHALF OF THE BOARD:**

*K B Eacm*

Mrs K Begum - DIRECTOR

Approved by the Board on 26 September 2000

**M. HUSSAIN (CHEMISTS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1999**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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).

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	- 10% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 10% on reducing balance

**Stocks**

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

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**2. STAFF COSTS**

	1999 £	1998 £
Wages and salaries	34,995	39,941
Other pension costs	1,900	1,800
	<u>36,895</u>	<u>41,741</u>

The average monthly number of employees during the year was as follows:

	1999	1998
Office and management	<u>5</u>	<u>5</u>

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	1999 £	1998 £
Depreciation - owned assets	4,042	3,832
Auditors' remuneration	<u>3,116</u>	<u>3,031</u>
Directors' emoluments	<u>11,126</u>	<u>11,123</u>



**M.HUSSAIN (CHEMISTS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1999**

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

Interest payable and similar charges includes the following:

	1999	1998
	£	£
Bank interest	74	9
	<u>      </u>	<u>      </u>

**5. TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	1999	1998
	£	£
UK corporation tax	17,045	14,582
Under provision previous years	143	-
	<u>17,188</u>	<u>14,582</u>

UK corporation tax has been charged at 20% (1998 - 21%).

**6. DIVIDENDS**

	1999	1998
	£	£
Interim - share type 1	-	26,000
Final - share type 1	28,000	20,000
	<u>28,000</u>	<u>46,000</u>

**7. TANGIBLE FIXED ASSETS**

	<u>Leasehold property</u>	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>	<u>Totals</u>
	£	£	£	£
<b>COST:</b>				
At 1 January 1999	13,033	10,450	27,930	51,413
Additions	4,526	-	510	5,036
	<u>17,559</u>	<u>10,450</u>	<u>28,440</u>	<u>56,449</u>
<b>DEPRECIATION:</b>				
At 1 January 1999	3,250	5,670	12,752	21,672
Charge for year	1,756	717	1,569	4,042
	<u>5,006</u>	<u>6,387</u>	<u>14,321</u>	<u>25,714</u>
<b>NET BOOK VALUE:</b>				
At 31 December 1999	<u>12,553</u>	<u>4,063</u>	<u>14,119</u>	<u>30,735</u>
At 31 December 1998	<u>9,783</u>	<u>4,780</u>	<u>15,179</u>	<u>29,742</u>

**M HUSSAIN (CHEMISTS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1999**

**8. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1999	1998
	£	£
V.A.T.	5,638	6,941
Trade debtors	72,963	83,177
Prepayments	292	-
	<u>78,893</u>	<u>90,118</u>

**9. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1999	1998
	£	£
Trade creditors	65,732	58,875
Directors current accounts	7,513	239
Directors current accounts	12,607	3,789
ACT payable	-	11,500
PAYE	2,566	7,115
Taxation	17,045	2,932
Accrued expenses	2,250	2,000
	<u>107,713</u>	<u>86,450</u>

**10. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	1999	1998
			£	£
1,000	ordinary	£1	<u>1,000</u>	<u>1,000</u>

**11. TRANSACTIONS WITH DIRECTORS**

During the year the company occupied premises owned by the directors. A rental charge of £6,500 (1998 £6,500) has been made in the accounts.