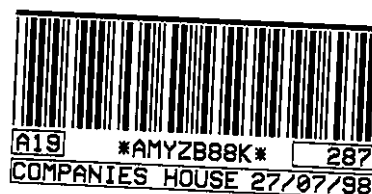


2888708

MEDI-MOVE LIMITED

REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 JANUARY 1997



MEDI-MOVE LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 1997**

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MEDI-MOVE LIMITED

**COMPANY INFORMATION
AS AT 31 JANUARY 1997**

DIRECTORS

L.K. Gupta
S.K. Gupta

SECRETARY

R.P. Gupta

REGISTERED OFFICE

1/3 Blackheath Hill
Greenwich
London
SE10 8PB

REGISTERED NUMBER

2888708

AUDITORS

Jolly Singh Partnership
Registered Auditors & Accountants
2 Watling Gate
297-303 Edgware Road
London NW9 6NB

PRINCIPAL BANKERS

Lloyds Bank Plc
City, North & East London
2nd Floor
34 Moorgate
London
EC2R 6DN

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 January 1997.

PRINCIPAL ACTIVITIES

The company continues to trade as wholesalers of medicines and other items. The directors consider the results for the year to be satisfactory.

REVIEW OF THE BUSINESS

The net profit after providing for taxation amounted to £30,074.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		1997	1996
L.K. Gupta	Ordinary shares of £1 each	1	1
S.K. Gupta	Ordinary shares of £1 each	1	1

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 as at the end of the financial year 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 maintaining 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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company did not make any political contributions nor any charitable contributions.

DIRECTORS' REPORT

AUDITORS

The auditors, Jolly Singh Partnership, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

In preparing this report, the directors have taken advantage of the special provisions of Section 246 of the Companies Act 1985 relating to small companies.

By order of the board:



.....
R.P. Gupta
Secretary

Approved by the board: 22 January 1998

MEDI-MOVE LIMITED

AUDITORS' REPORT

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and on the basis of accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the directors' report, 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 as to whether 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 affairs of the company as at 31 January 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



.....
Jolly Singh Partnership
Registered Auditors & Accountants

2 Watling Gate
297-303 Edgware Road
London NW9 6NB

22 January 1998

MEDI-MOVE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 1997**

	Notes	1997 £	1996 £
TURNOVER		1,302,056	1,005,957
Cost of sales		1,239,038	957,411
GROSS PROFIT		63,018	48,546
Administrative expenses		18,615	12,841
OPERATING PROFIT		44,403	35,705
Interest payable and similar charges	2 3	(3,203)	(5,985)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		41,200	29,720
Tax on profit on ordinary activities	5	(11,126)	(7,430)
PROFIT FOR THE FINANCIAL YEAR		30,074	22,290

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Total recognised gains and losses

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 8 to 11 form part of these financial statements.

MEDI-MOVE LIMITED

**BALANCE SHEET
AT 31 JANUARY 1997**

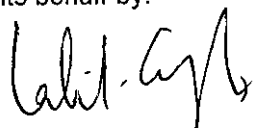
	Notes	£	1997 £	£	1996 £
FIXED ASSETS					
Tangible assets	6		3,689		-
CURRENT ASSETS					
Stocks	7	50,102		84,452	
Debtors	8	588,967		390,966	
Cash at bank and in hand		868		742	
		<u>639,937</u>		<u>476,160</u>	
CREDITORS: amounts falling due within one year	9	<u>(583,687)</u>		<u>(446,295)</u>	
NET CURRENT ASSETS			<u>56,250</u>		<u>29,865</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>59,939</u>		<u>29,865</u>
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Profit and loss account	12		<u>59,937</u>		<u>29,863</u>
TOTAL SHAREHOLDERS' FUNDS	13		<u>59,939</u>		<u>29,865</u>

In preparing these financial statements the directors have taken advantage of special exemptions applicable to small companies on the grounds that, in their opinion, the company is entitled to those exemptions.

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

The financial statements were approved by the board of directors on 22 January 1998 and signed on its behalf by:

L.K. Gupta



) Directors

S.K. Gupta



)

The notes on pages 8 to 11 form part of these financial statements.

MEDI-MOVE LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 1997**

	Notes	1997 £	1996 £
OPERATING ACTIVITIES	2	(245)	32,476
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		(3,203)	(5,985)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(3,203)	(5,985)
TAXATION			
Corporation tax paid		(2,525)	-
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets		(5,359)	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(5,359)	-
NET CASH OUTFLOW BEFORE FINANCING		(11,332)	26,491
DECREASE IN CASH AND CASH EQUIVALENTS	14	(11,332)	26,491
		(11,332)	26,491

The notes on pages 8 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 1997**

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets

Depreciation is provided in order to write off each asset over its useful life:

Motor vehicles	25% on WDV
Fixtures and fittings	33.3% on WDV

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

2. OPERATING PROFIT

Operating profit is stated:	1997	1996
	£	£
After charging:		
Depreciation of fixed assets	1,670	-
Auditors' remuneration	1,800	1,800

Reconciliation of operating profit to net cash outflow from operating activities

	1997	1996
	£	£
Operating profit	44,403	35,705
Depreciation	1,670	-
Decrease in stocks	34,350	(61,285)
Increase in debtors	(198,001)	(73,408)
Increase in creditors	117,333	131,464
Net cash outflow from operating activities	(245)	32,476

3. INTEREST PAYABLE AND SIMILAR CHARGES

	1997	1996
	£	£
On bank loans and overdrafts	2,816	5,985
On overdue tax	387	-
	3,203	5,985

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 1997**

4. INFORMATION ON DIRECTORS AND EMPLOYEES

	1997 £	1996 £
Staff costs		
Wages and salaries	<u>5,260</u>	<u>4,800</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1997 £	1996 £
The taxation charge comprises:		
UK Corporation tax at 24% (1996 - 25%)	<u>11,126</u>	<u>7,430</u>

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Total £
Cost:			
Additions	<u>3,974</u>	<u>1,385</u>	<u>5,359</u>
Depreciation:			
Charge for year	<u>1,324</u>	<u>346</u>	<u>1,670</u>
Net book value:			
At 31 January 1997	<u>2,650</u>	<u>1,039</u>	<u>3,689</u>

7. STOCKS

	1997 £	1996 £
Finished goods and goods for resale	<u>50,102</u>	<u>84,452</u>

8. DEBTORS

	1997 £	1996 £
Trade debtors	588,648	390,966
Prepayments and accrued income	<u>319</u>	<u>-</u>
	<u>588,967</u>	<u>390,966</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 1997**

9. CREDITORS: amounts falling due within one year

	1997 £	1996 £
Bank loans and overdrafts	79,959	68,501
Trade creditors	448,544	324,204
Corporation tax	18,555	9,954
Other taxes and social security costs	8,073	18,498
Directors' current accounts	24,383	21,587
Accruals and deferred income	4,173	3,551
	<u>583,687</u>	<u>446,295</u>

Bank overdrafts amounting to £79,959 (1996 £68,501) are secured by the directors guarantee.

10. BORROWINGS

	1997 £	1996 £
The company's borrowings are repayable as follows		
Up to one year and on demand	<u>79,959</u>	<u>68,501</u>

11. SHARE CAPITAL

	1997 £	1996 £
Authorised:		
Equity interests:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:		
Equity interests:		
100 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

12. PROFIT AND LOSS ACCOUNT

	1997 £	1996 £
Retained profit at 1 February 1996	29,863	7,573
Profit for the year	30,074	22,290
Retained profit at 31 January 1997	<u>59,937</u>	<u>29,863</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 1997**

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Profit for the financial year	30,074	22,290
Opening shareholders' funds	29,865	7,575
Closing shareholders' funds	<u>59,939</u>	<u>29,865</u>
Represented by:-		
Equity interests	<u>59,939</u>	<u>29,865</u>

14. CHANGES IN CASH AND CASH EQUIVALENTS

Analysis of balances as shown in the balance sheet and changes during the current and previous years:

	1997 £	1996 £	Change in year £
Current year:			
Cash at bank and in hand	868	742	126
Bank overdraft	(79,959)	(68,501)	(11,458)
	<u>(79,091)</u>	<u>(67,759)</u>	<u>(11,332)</u>
Previous year:			
Cash at bank and in hand	742	2	740
Bank overdraft	(68,501)	(94,252)	25,751
	<u>(67,759)</u>	<u>(94,250)</u>	<u>26,491</u>