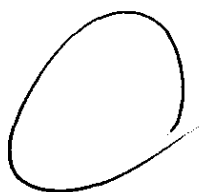


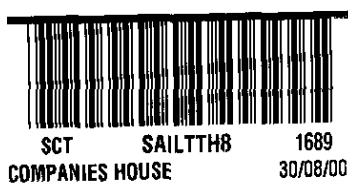
PARKHEAD PHARMACY LIMITED
ABBREVIATED FINANCIAL STATEMENTS

31 OCTOBER 1999

Registered number: SCO 21721



JOHNSON RALPH & CO
CHARTERED ACCOUNTANTS
Moray



PARKHEAD PHARMACY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 October 1999

CONTENTS

	Page
Auditors' report	1
Abbreviated balance sheet	2
Notes on abbreviated financial statements	3

PARKHEAD PHARMACY LIMITED

**Auditors' report to
Parkhead Pharmacy Ltd
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 3, together with the financial statements of the company for the year ended 31 October 1999 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 does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 3 are properly prepared in accordance with those provisions.

On 28 August 2000 we reported to the members on the statutory accounts of the company prepared under Section 226 of the Companies Act 1985 for the year ended 31 October 1999. Our report under Section 235 of the Companies Act 1985 was as follows:

'We have audited the financial statements on pages 5 to 7 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 7a.

Respective responsibilities of directors and auditors

As described on page 3, 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/

Continued....

PARKHEAD PHARMACY LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

Auditors' report to
Parkhead Pharmacy Ltd
under section 247B of the Companies Act 1985

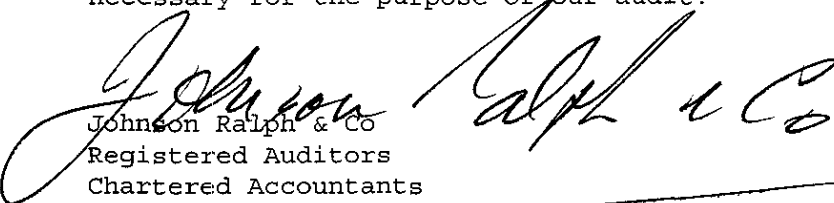
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. However the evidence available to us was limited because we were unable to carry out a full physical count and evaluation of the closing stock and we have therefore relied upon the directors' valuation of £15,342.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

QUALIFIED OPINION ARISING FROM LIMITATION IN AUDIT SCOPE

Except for any adjustments that might have been found to be necessary had we been able to carry out a full physical inventory and evaluation, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 1999 and of 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.

In respect alone of the limitation on our work relating to stocks we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.'



Johnson Ralph & Co
Registered Auditors
Chartered Accountants
Forres

28 August 2000

PARKHEAD PHARMACY LIMITED

ABBREVIATED BALANCE SHEET

at 31 October 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	2	67,858	70,195
Investments	2	54,218	52,178
		<u>122,076</u>	<u>122,373</u>
Current assets			
Stocks		15,342	15,562
Debtors		43,779	42,629
Cash at bank and in hand		108,622	89,257
		<u>167,743</u>	<u>147,448</u>
Creditors: amounts falling due within one year		<u>(83,111)</u>	<u>(129,110)</u>
Net current assets		<u>84,632</u>	<u>18,338</u>
Total assets less current liabilities		<u>206,708</u>	<u>140,711</u>
Creditors: amounts falling due after more than one year	3	(17,100)	(8,364)
Provision for liabilities and charges		<u>(1,714)</u>	<u>(1,714)</u>
		<u>187,894</u>	<u>130,633</u>
Capital and reserves			
Called up share capital	4	100	100
Profit and loss account		187,794	130,533
Total shareholders' funds		<u>187,894</u>	<u>130,633</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 3 were approved by the board of directors on 28 August 2000 and signed on its behalf by:


George Flett Duthie
Director

PARKHEAD PHARMACY LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 October 1999

1 Accounting policies**Basis of accounting**

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)

The company has taken advantage of the exemption from preparing a cash flow statement on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services after deduction of trade discounts and value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Heritable Property	2%
Tenants Improvements	2%
Computer Equipment	25%
Fixtures and Fittings	10%

Fixed asset investments are stated at cost less any provision for permanent diminution in value.

Stocks

Stocks are 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.

Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Leased Assets

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Pensions

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

PARKHEAD PHARMACY LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 October 1999

2 Fixed assets

Cost	Tangible fixed assets £	Fixed asset investments £	Total £
1 November 1998	89,919	52,178	142,097
Additions	381	2,040	2,421
31 October 1999	90,300	54,218	144,518
Depreciation			
1 November 1998	19,724	-	19,724
Charge for the year	2,718	-	2,718
31 October 1999	22,442	-	22,442
Net book amount			
31 October 1999	67,858	54,218	122,076
1 November 1998	70,195	52,178	122,373

3 Creditors:

1999	1998
£	£

Creditors include the following amounts:

Amounts falling due
after more than five years:

Other creditors - Lightburn Pharmacy Ltd	17,100	8,364

There are no set terms of repayment of the related company loan (note 5).

4 Called up share capital

	1999		1998	
	Number of shares	£	Number of shares	£
Authorised				
Authorised share capital	100	100	100	100
Allotted called up and fully paid				
	100	100	100	100

PARKHEAD PHARMACY LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 October 1999

5 Related parties

The company is ultimately controlled by Mr & Mrs G F Duthie by virtue of their shareholding in the company.

One of the company's pharmacies operates from a property owned by Mr G F Duthie who is a director of the company.

Lightburn Pharmacy Limited is also controlled by Mr and Mrs Duthie. The company places money on deposit in conjunction with Lightburn to maximise interest.

The balance due to Lightburn at 31 October 1999 was £17,100.