



MAWDSLEY-BROOKS & COMPANY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

Company Registration Number 44701

RSM Tenon Limited

Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

MAWDSLEY-BROOKS & COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

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MAWDSLEY-BROOKS & COMPANY LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2012

The board of directors	Mrs C P Currimjee Mrs G Sanderson-Watts Dr J Mawdsley (Chairman) Mrs S P Westall Mr G Kennedy Mr I C Brownlee Mr J Davis Mrs S J Ellison Mr D Belcher Mr P Mc Allister Mrs K Birchall
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Company secretary	Mrs S J Ellison
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Business address	3 South Langworthy Road PO Box 18 Salford M50 2PW
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Registered office	3 South Langworthy Road PO Box 18 Salford M50 2PW
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Auditor	RSM Tenon Audit Limited Sumner House St Thomas's Road Chorley Lancashire PR7 1HP
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Accountants	RSM Tenon Limited Sumner House St Thomas's Road Chorley Lancashire PR7 1HP
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MAWDSLEY-BROOKS & COMPANY LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2012

The directors present their report and the financial statements of the company for the year ended 31 March 2012

Principal activities and business review

The principal activity of the company continued to be pharmaceutical wholesaling

The company has experienced a decrease in turnover of £15,187,000 (8.1%) compared to 2011. The company generated a profit before tax of £1,083,000 (2011: £3,743,000)

At the year end the company had shareholder's funds of £15,284,000 (2011: £15,151,000). The directors therefore believe the company's position to be satisfactory especially as the company's current assets exceed its current liabilities by £7,142,000.

Results and dividends

The profit for the year, after taxation, amounted to £733,000. Particulars of dividends paid are detailed in note 9 to the financial statements.

Financial risk management objectives and policies

The company is exposed to a moderate level of price risk, credit risk, liquidity risk and cash flow risk. The company manages these risks by financing its operations through retained profits, supplemented by long-term bank borrowings where necessary to fund expansion or capital expenditure programmes.

The management objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements, minimise the company's exposure to fluctuating interest rates, and match the repayment schedule of any external borrowings or overdrafts with the future cash flows expected to arise from the company's trading activities.

Directors

The directors who served the company during the year were as follows:

Mrs C P Currimjee
Mrs G Sanderson-Watts
Dr J Mawdsley (Chairman)
Mrs S P Westall
Mr G Kennedy
Mr I C Brownlee
Mr J Davis
Mrs S J Ellison
Mr D Belcher
Mr P Mc Allister
Mrs K Birchall

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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,
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MAWDSLEY-BROOKS & COMPANY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disabled employees

The group recognises its responsibilities towards disabled persons and gives full and fair consideration to applicants in positions suited to their own particular abilities where appropriate openings exist. Where employees become disabled in the course of their employment, every effort is made to provide them with continued employment.

During the year management has had a policy of providing employees with information about the group. Regular meetings are held between management and employees to allow a free flow of information and ideas.

The group aims to achieve a shared commitment from employees to the success of the business of which they are employees.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas. Employees participate directly in the success of the business through the company's profit sharing schemes and are encouraged to invest in the company through participation in share option schemes.

MAWDSLEY-BROOKS & COMPANY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

Auditor

RSM Tenon Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006

Signed on behalf of the directors



Mr I C Brownlee
Director

Approved by the directors on 26/9/12

MAWDSLEY-BROOKS & COMPANY LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MAWDSLEY-BROOKS & COMPANY LIMITED
YEAR ENDED 31 MARCH 2012

We have audited the financial statements of Mawdsley-Brooks & Company Limited for the year ended 31 March 2012 on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MAWDSLEY-BROOKS & COMPANY LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MAWDSLEY-BROOKS & COMPANY LIMITED *(continued)*
YEAR ENDED 31 MARCH 2012

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Jonathan Pinder, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited

RSM Tenon Audit Limited
Statutory Auditor
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

Date *26/9/12*

MAWDSLEY-BROOKS & COMPANY LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MARCH 2012**

	Note	2012 £000	2011 £000
Turnover	2	171,683	186,870
Cost of sales		(152,288)	(165,279)
Gross profit		<u>19,395</u>	<u>21,591</u>
Distribution costs		(13,952)	(12,993)
Administrative expenses		(5,553)	(5,167)
Other operating income	3	1,525	666
Operating profit	4	<u>1,415</u>	<u>4,097</u>
Interest payable and similar charges	7	(332)	(354)
Profit on ordinary activities before taxation		<u>1,083</u>	<u>3,743</u>
Tax on profit on ordinary activities	8	(350)	(823)
Profit for the financial year		<u><u>733</u></u>	<u><u>2,920</u></u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 19 form part of these financial statements

MAWDSLEY-BROOKS & COMPANY LIMITED

Registered Number 44701

BALANCE SHEET**31 MARCH 2012**

	Note	£000	2012 £000	£000	2011 £000
Fixed assets					
Intangible assets	10		7		7
Tangible assets	11		9,866		9,427
			<u>9,873</u>		<u>9,434</u>
Current assets					
Stocks	12	11,066		11,939	
Debtors	13	28,736		31,819	
Cash at bank and in hand		2		2	
			<u>39,804</u>	<u>43,760</u>	
Creditors' Amounts falling due within one year	14	(32,662)		(36,024)	
Net current assets			7,142		7,736
Total assets less current liabilities			<u>17,015</u>		<u>17,170</u>
Creditors: Amounts falling due after more than one year	15		(1,411)		(1,714)
Provisions for liabilities					
Deferred taxation	18		(320)		(305)
			<u>15,284</u>		<u>15,151</u>
Capital and reserves					
Called-up share capital	22		3,139		3,139
Share premium account	23		42		42
Other reserves	24		4		4
Profit and loss account	25		12,099		11,966
Shareholders' funds	26		<u>15,284</u>		<u>15,151</u>

These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by

26/9/12



Mr I C Brownlee
Director

The notes on pages 9 to 19 form part of these financial statements

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

1. Accounting policies

Basis of accounting

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

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

Turnover

Turnover is the total amount receivable for good supplied and services provided excluding VAT, trade discounts and agency sales

Amortisation

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows

Computer development costs - 12.5%

Tangible fixed assets

Fixed asset investments are stated at cost, less amounts written off

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

Building improvements	- 4% straight line
Long leasehold buildings	- 2% straight line
Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Computer Equipment	- 20% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure in respect of the purchase of stock items

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

1. Accounting policies *(continued)*

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Contributions to pension funds

Defined benefit scheme

The pension costs charged against profits are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service lives of the employees in the scheme, so as to ensure that the regular pension costs represents a substantially level percentage of the current and expected future pensionable payroll. Variations from regular cost are spread over the average service lives of current employees in the scheme.

Group personal pension plan

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

The profit and loss accounts and balance sheets of overseas subsidiary undertakings are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange adjustments arising from the translation of opening balance sheets are taken to reserves.

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

1. Accounting policies (continued)

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2012 £000	2011 £000
United Kingdom	171,683	186,870

3. Other operating income

	2012 £000	2011 £000
Other operating income	1,525	666

4. Operating profit

Operating profit is stated after charging:

	2012 £000	2011 £000
Amortisation of intangible assets	6	6
Depreciation of owned fixed assets	601	564
Depreciation of assets held under hire purchase agreements	215	215
Loss on disposal of fixed assets	32	39
Auditor's remuneration		
- as auditor	25	23
- for other services	15	34
Operating lease charges - land & buildings	706	788
Operating lease charges - plant & machinery	644	633

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

5. Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2012	2011
	No	No
Sales and distribution	527	527
Office and management	38	48
	<u>565</u>	<u>575</u>

The aggregate payroll costs of the above were

	2012	2011
	£000	£000
Wages and salaries	9,040	8,942
Social security costs	845	864
Other pension costs	429	616
	<u>10,314</u>	<u>10,422</u>

6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£000	£000
Remuneration receivable	2,393	1,604
Value of company pension contributions to money purchase schemes	357	208
	<u>2,750</u>	<u>1,812</u>

Remuneration of highest paid director:

	2012	2011
	£000	£000
Total remuneration (excluding pension contributions)	650	372
Value of company pension contributions to money purchase schemes	146	40
	<u>796</u>	<u>412</u>

The number of directors accruing retirement benefits was as follows

	2012	2011
	No	No
Money purchase schemes	6	6
Defined benefit schemes	2	2

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

7. Interest payable and similar charges

	2012	2011
	£000	£000
Interest payable on bank borrowing	310	316
Finance charges	22	38
	<u>332</u>	<u>354</u>

8. Taxation on ordinary activities

(a) Analysis of charge in the year

	2012	2011
	£000	£000
In respect of the year		
UK Corporation tax	335	958
Deferred tax		
Origination and reversal of timing differences	15	(135)
Tax on profit on ordinary activities	<u>350</u>	<u>823</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26% (2011 - 28%)

	2012	2011
	£000	£000
Profit on ordinary activities before taxation	<u>1,083</u>	<u>3,743</u>
Profit on ordinary activities by rate of tax	282	1,048
Effects of		
Expenses not deductible for tax purposes	57	49
Capital allowances for period in excess of depreciation	(12)	8
Non taxable income	-	(147)
Loss on disposal of fixed asset	8	-
Total current tax (note 8(a))	<u>335</u>	<u>958</u>

(c) Factors that may affect future tax charges

On 21 March 2012, the Chancellor of the Exchequer announced the main rate of corporation tax will reduce from 26% to 24% from 1 April 2012. The changes in rate became substantively enacted for the purposes of FRS 16 on 26 March 2012.

The Chancellor further stated his intention to reduce the main rate of corporation tax from 24% to 23% from 1 March 2013 and a further 1% reduction to 22% from 1 April 2014. These changes have not been substantively enacted at the balance sheet.

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

9. Dividends

Equity dividends

	2012 £000	2011 £000
Paid during the year		
Interim dividend paid 18p (2011 128p) per share on ordinary shares	<u>600</u>	<u>4,200</u>

10. Intangible fixed assets

	Computer development costs £000	Patents and trade marks £000	Total £000
Cost			
At 1 April 2011 and 31 March 2012	<u>30</u>	<u>1</u>	<u>31</u>
Amortisation			
At 1 April 2011 and 31 March 2012	<u>24</u>	<u>—</u>	<u>24</u>
Net book value			
At 31 March 2012	<u>6</u>	<u>1</u>	<u>7</u>
At 31 March 2011	<u>6</u>	<u>1</u>	<u>7</u>

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

11 Tangible fixed assets

	Building improve- ments £000	Long leasehold land and buildings £000	Plant & Machinery £000	Fixtures & Fittings £000	Other Assets £000	Total £000
Cost						
At 1 Apr 2011	3,571	2,842	1,926	4,332	3,599	16,270
Additions	—	461	154	213	560	1,388
Disposals	—	—	—	—	(396)	(396)
At 31 Mar 2012	<u>3,571</u>	<u>3,303</u>	<u>2,080</u>	<u>4,545</u>	<u>3,763</u>	<u>17,262</u>
Depreciation						
At 1 Apr 2011	52	568	1,367	2,270	2,586	6,843
Charge for the year	73	121	96	169	361	820
On disposals	—	—	—	—	(267)	(267)
At 31 Mar 2012	<u>125</u>	<u>689</u>	<u>1,463</u>	<u>2,439</u>	<u>2,680</u>	<u>7,396</u>
Net book value						
At 31 Mar 2012	<u>3,446</u>	<u>2,614</u>	<u>617</u>	<u>2,106</u>	<u>1,083</u>	<u>9,866</u>
At 31 Mar 2011	<u>3,519</u>	<u>2,274</u>	<u>559</u>	<u>2,062</u>	<u>1,013</u>	<u>9,427</u>

Hire purchase agreements

Included within the net book value of £9,866,000 is £Nil (2011 - £2,686,000) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £215,000 (2011 - £215,000)

12 Stocks

	2012 £000	2011 £000
Raw materials	122	128
Finished goods	10,944	11,811
	<u>11,066</u>	<u>11,939</u>

13. Debtors

	2012 £000	2011 £000
Trade debtors	18,073	20,710
Amounts owed by group undertakings	9,532	10,186
Corporation tax repayable	89	—
VAT recoverable	—	167
Other debtors	345	185
Prepayments and accrued income	697	571
	<u>28,736</u>	<u>31,819</u>

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

14. Creditors: Amounts falling due within one year

	2012	2011
	£000	£000
Bank loans and overdrafts	690	5,282
Trade creditors	27,324	27,193
Corporation tax	–	1,006
PAYE and social security	310	315
VAT	1,011	–
Hire purchase agreements	335	335
Other creditors	165	260
Accruals and deferred income	2,827	1,633
	<u>32,662</u>	<u>36,024</u>

The loans and overdrafts are secured by a debenture over certain assets of the company

Obligations under financing arrangements are secured over the assets concerned

15. Creditors: Amounts falling due after more than one year

	2012	2011
	£000	£000
Bank loans and overdrafts	1,137	1,421
Hire purchase agreements	274	293
	<u>1,411</u>	<u>1,714</u>

Obligations under financing arrangements are secured over the assets concerned

16. Creditors - capital instruments loans

Creditors include finance capital which is due for repayment as follows. Loans repayable included within creditors are analysed as follows

	2012	2011
	£000	£000
Amounts repayable		
In one year or less or on demand	690	5,282
In more than one year but not more than two years	1,137	567
In more than two years but not more than five years	–	854
	<u>1,827</u>	<u>6,703</u>

The bank loans are secured by a debenture over certain assets of the group

17. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows

	2012	2011
	£000	£000
Amounts payable within 1 year	335	335
Amounts payable between 1 and 2 years	249	268
Amounts payable between 3 and 5 years	25	25
	<u>609</u>	<u>628</u>

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

18 Deferred taxation

The movement in the deferred taxation provision during the year was

	2012 £000	2011 £000
At 1 Apr 2011	305	440
Profit and loss account movement arising during the year	15	(135)
At 31 Mar 2012	<u>320</u>	<u>305</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2012 £000	2011 £000
Excess of taxation allowances over depreciation on fixed assets	320	305
	<u>320</u>	<u>305</u>

19. Derivatives

The company has no financial instruments that fall to be classed as derivatives

20. Commitments under operating leases

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as set out below

	2012		2011	
	Land and buildings £000	Other Items £000	Land and buildings £000	Other Items £000
Operating leases which expire				
Within 1 year	-	77	-	77
Within 2 to 5 years	-	2	-	2
After more than 5 years	600	-	600	-
	<u>600</u>	<u>79</u>	<u>600</u>	<u>79</u>

21. Related party transactions

During the year Mawdsley-Brooks & Company Limited was the parent undertaking of Ultrapos Limited, Pathfinder Healthcare Limited, Wellspring Pharmaceutical Services Limited, Wellspring Pharmaceutical Services UK Limited, and MBI Pharma. Under the disclosures requirements of Financial Reporting Standard 8 - Related Party Disclosures, the company is exempt from the requirement to disclose transactions with other members of the group.

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

22. Share capital

Authorised share capital

	2012	2011
	£000	£000
1,443,000 Ordinary shares of £1 each	1,443	1,443
2,430,000 Ordinary "A" Shares of £1 each	2,430	2,430
265,000 Ordinary "B" Shares of £1 each	265	265
500,000 Ordinary "C" Shares of £0.01 each	5	5
	<u>4,143</u>	<u>4,143</u>

Allotted, called up and fully paid

	2012		2011	
	No	£000	No	£000
554,880 Ordinary shares of £1 each	554,880	555	554,880	555
2,317,440 Ordinary "A" Shares of £1 each	2,317,440	2,317	2,317,440	2,317
264,800 Ordinary "B" Shares of £1 each	264,800	265	264,800	265
145,000 Ordinary "C" Shares of £0.01 each	145,000	1	145,000	1
	<u>3,282,120</u>	<u>3,139</u>	<u>3,282,120</u>	<u>3,139</u>

23. Share premium account

There was no movement on the share premium account during the financial year

24. Other reserves

	2012	2011
	£000	£000
Capital redemption reserve	<u>4</u>	<u>4</u>

25. Profit and loss account

	2012	2011
	£000	£000
Balance brought forward	11,966	13,246
Profit for the financial year	733	2,920
Equity dividends	(600)	(4,200)
Balance carried forward	<u>12,099</u>	<u>11,966</u>

MAWDSLEY-BROOKS & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

26. Reconciliation of movements in shareholders' funds

	2012 £000	2011 £000
Profit for the financial year	733	2,920
Equity dividends	(600)	(4,200)
Net addition/(reduction) to shareholders' funds	133	(1,280)
Opening shareholders' funds	15,151	16,431
Closing shareholders' funds	15,284	15,151

27. Pensions

The group operates a defined benefit scheme for the benefit of certain employees. The scheme provides a lump sum on retirement based on a proportion of all pensionable earnings whilst employed by the company or a pension also based on a proportion of all pensionable earnings. The assets of the scheme are administered by trustees in a fund independent from those of the group.

Pension costs are assessed in accordance with the advice of a qualified actuary. The most recent valuation was as at 31 March 2011.

The market value of scheme assets as at 31 March 2011 was £923,516. The actuarial value of those assets was sufficient to cover 70% of the benefits that had accrued to members, after allowing for expected future increases in earnings. The group's actuaries have confirmed that the company and its subsidiary undertakings need to make contributions of 24.0% of the pensionable salaries of the active pension benefit members.

The directors do not consider the impact of FRS 17 to be material to the group accounts and have not therefore made the FRS 17 disclosures.

Group personal pension plan

The group also makes payments into a group personal pension scheme for all eligible employees and into personal pension schemes for directors.

28. Ultimate parent company

The ultimate parent undertaking is Mawdsleys Group Investments Limited, a company registered in England and Wales. Copies of the group accounts of Mawdsleys Group Investments Limited will be delivered to and will be available from The Registrar of Companies, Companies Registration House, Maindy, Cardiff, CF4 3UZ.

29. Control

The company is controlled by the directors of Mawdsleys Group Investments Limited.