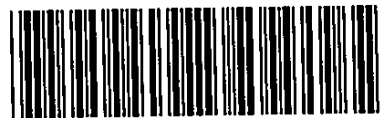


**MAWDSLEY-BROOKS & COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**Company Registration Number 44701**

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**MAWDSLEY-BROOKS & COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2013**

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**MAWDSLEY-BROOKS & COMPANY LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 31 MARCH 2013**

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**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 Davies  
Mrs S J Ellison  
Mr D Belcher  
Mr P Mc Allister  
Mrs K Birchall

**Company secretary**

Mrs S J Ellison

**Business address**

3 South Langworthy Road  
PO Box 18  
Salford  
M50 2PW

**Registered office**

3 South Langworthy Road  
PO Box 18  
Salford  
M50 2PW

**Auditor**

Baker Tilly Audit Limited  
Chartered Accountants  
Sumner House  
St Thomas's Road  
Chorley  
Lancashire  
PR7 1HP

# **MAWDSLEY-BROOKS & COMPANY LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 MARCH 2013**

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The directors present their report and the financial statements of the company for the year ended 31 March 2013

### **Principal activities and business review**

The principal activity of the company continued to be pharmaceutical wholesaling

The company has experienced an increase in turnover of £4,749,000 (2.8%) compared to 2012. The company generated a profit before tax of £814,000 (2012: £1,083,000).

At the year end the company had shareholder's funds of £15,552,000 (2012: 15,284,000). The directors therefore believe the company's position to be satisfactory especially as the company's current assets exceed its current liabilities by £6,469,000.

### **Results and dividends**

The profit for the year, after taxation, amounted to £618,000. 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 Davies  
Mrs S J Ellison  
Mr D Belcher  
Mr P Mc Allister  
Mrs K Birchall

# **MAWDSLEY-BROOKS & COMPANY LIMITED**

## **DIRECTORS' REPORT *(continued)***

**YEAR ENDED 31 MARCH 2013**

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### **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 year.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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
- 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
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's 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.

# MAWDSLEY-BROOKS & COMPANY LIMITED

## DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

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### 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.

### Auditor

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

Signed on behalf of the directors

X 

Mrs S J Ellison  
Company Secretary

(cont)

X Approved by the directors on 27 November 2013

**MAWDSLEY-BROOKS & COMPANY LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**MAWDSLEY-BROOKS & COMPANY LIMITED**  
**YEAR ENDED 31 MARCH 2013**

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We have audited the financial statements of Mawdsley-Brooks & Company Limited for the year ended 31 March 2013 on pages 7 to 20. 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 page 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**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 2013 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 2013**

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**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

*Baker Tilly Audit Limited*

Baker Tilly Audit Limited, Statutory Auditor  
Chartered Accountants  
Sumner House  
St Thomas's Road  
Chorley  
Lancashire  
PR7 1HP

Prior to 30 September 2013 Baker Tilly Audit Limited was named RSM Tenon Audit Limited

Date *23/12/13*



**MAWDSLEY-BROOKS & COMPANY LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MARCH 2013**

		<b>2013</b>	<b>2012</b>
	<b>Note</b>	<b>£000</b>	<b>£000</b>
<b>Turnover</b>	<b>2</b>	<b>176,432</b>	<b>171,683</b>
Cost of sales		(156,211)	(152,288)
<b>Gross profit</b>		<b>20,221</b>	<b>19,395</b>
Distribution costs		(17,095)	(13,952)
Administrative expenses		(6,730)	(5,553)
Other operating income	<b>3</b>	<b>4,596</b>	<b>1,525</b>
<b>Operating profit</b>	<b>4</b>	<b>992</b>	<b>1,415</b>
Interest payable and similar charges	<b>7</b>	<b>(178)</b>	<b>(332)</b>
<b>Profit on ordinary activities before taxation</b>		<b>814</b>	<b>1,083</b>
Tax on profit on ordinary activities	<b>8</b>	<b>(196)</b>	<b>(350)</b>
<b>Profit for the financial year</b>		<b>618</b>	<b>733</b>

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 20 form part of these financial statements

**MAWDSLEY-BROOKS & COMPANY LIMITED**

Registered Number 44701

**BALANCE SHEET****31 MARCH 2013**

	Note	£000	2013 £000	£000	2012 £000
<b>Fixed assets</b>					
Intangible assets	10		7		7
Tangible assets	11		10,196		9,866
			<u>10,203</u>		<u>9,873</u>
<b>Current assets</b>					
Stocks	12	11,553		11,066	
Debtors	13	32,331		28,736	
Cash at bank		2		2	
		<u>43,886</u>		<u>39,804</u>	
<b>Creditors: Amounts falling due within one year</b>	14	<u>(37,417)</u>		<u>(32,662)</u>	
<b>Net current assets</b>			6,469		7,142
<b>Total assets less current liabilities</b>			<u>16,672</u>		<u>17,015</u>
<b>Creditors: Amounts falling due after more than one year</b>	15		(912)		(1,411)
<b>Provisions for liabilities</b>					
Deferred taxation	18		<u>(208)</u>		<u>(320)</u>
			<u>15,552</u>		<u>15,284</u>
<b>Capital and reserves</b>					
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		12,367		12,099
<b>Shareholders' funds</b>	26		<u>15,552</u>		<u>15,284</u>

X These accounts were approved by the directors and authorised for issue on (DATE) 27<sup>th</sup> November 2013 and are signed on their behalf by

X 

Mr I Brownlee  
Director

The notes on pages 9 to 20 form part of these financial statements

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# **MAWDSLEY-BROOKS & COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

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### **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 2013**

---

### **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.

# MAWDSLEY-BROOKS & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

### 1. Accounting policies *(continued)*

#### 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.

#### 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:

	2013 £000	2012 £000
United Kingdom	<u>176,432</u>	<u>171,683</u>

### 3. Other operating income

	2013 £000	2012 £000
Other operating income	<u>4,596</u>	<u>1,525</u>

### 4. Operating profit

Operating profit is stated after charging:

	2013 £000	2012 £000
Depreciation of owned fixed assets	850	605
Depreciation of assets held under hire purchase agreements	—	215
Loss on disposal of fixed assets	4	32
Auditors remuneration	57	57
Operating lease charges - land & buildings	961	706
Operating lease charges - plant & machinery	<u>876</u>	<u>644</u>

**MAWDSLEY-BROOKS & COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

**5. Particulars of employees**

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

	<b>2013</b>	<b>2012</b>
	<b>No</b>	<b>No</b>
Sales and distribution	517	527
Office and management	40	38
	<u>557</u>	<u>565</u>

The aggregate payroll costs of the above were

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	11,758	9,040
Social security costs	917	845
Other pension costs	698	429
	<u>13,373</u>	<u>10,314</u>

**6. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Remuneration receivable	2,645	2,393
Value of company pension contributions to money purchase schemes	365	357
	<u>3,010</u>	<u>2,750</u>

**Remuneration of highest paid director:**

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Total remuneration (excluding pension contributions)	677	650
Value of company pension contributions to money purchase schemes	140	146
	<u>817</u>	<u>796</u>

The number of directors accruing retirement benefits was as follows

	<b>2013</b>	<b>2012</b>
	<b>No</b>	<b>No</b>
Money purchase schemes	6	6
Defined benefit schemes	<u>2</u>	<u>2</u>

**MAWDSLEY-BROOKS & COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

**7 Interest payable and similar charges**

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Interest payable on bank borrowing	178	332
	<u>          </u>	<u>          </u>

**8. Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
In respect of the year		
UK Corporation tax	71	335
Over/under provision in prior year	237	-
	<u>308</u>	<u>335</u>
Deferred tax		
Origination and reversal of timing differences	(112)	15
Tax on profit on ordinary activities	<u>196</u>	<u>350</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 24% (2012 - 26%)

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Profit on ordinary activities before taxation	814	1,083
	<u>          </u>	<u>          </u>
Profit on ordinary activities by rate of tax	195	282
Effects of		
Expenses not deductible for tax purposes	5	57
Capital allowances for period in excess of depreciation	20	(12)
Adjustments to tax charge in respect of previous periods	237	-
Loss on disposal of fixed asset	-	8
Group relief	28	-
Provisions tax adjustment	(177)	-
Total current tax (note 8(a))	<u>308</u>	<u>335</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 2013**

**9. Dividends**

**Equity dividends**

	<b>2013 £000</b>	<b>2012 £000</b>
Paid during the year		
Interim dividend paid 18p (2011 128p) per share on ordinary shares	<u>350</u>	<u>600</u>

**10. Intangible fixed assets**

	<b>Computer development costs £000</b>	<b>Patents and trade marks £000</b>	<b>Total £000</b>
<b>Cost</b>			
At 1 April 2012 and 31 March 2013	<u>30</u>	<u>1</u>	<u>31</u>
<b>Amortisation</b>			
At 1 April 2012 and 31 March 2013	<u>24</u>	<u>–</u>	<u>24</u>
<b>Net book value</b>			
At 31 March 2013	<u>6</u>	<u>1</u>	<u>7</u>
At 31 March 2012	<u>6</u>	<u>1</u>	<u>7</u>



**MAWDSLEY-BROOKS & COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

**11. Tangible fixed assets**

	<b>Building improve- ments £000</b>	<b>Long leasehold land and buildings £000</b>	<b>Plant &amp; Machinery £000</b>	<b>Fixtures &amp; Fittings £000</b>	<b>Other Assets £000</b>	<b>Total £000</b>
<b>Cost</b>						
At 1 Apr 2012	3,571	3,303	2,080	4,545	3,763	17,262
Additions	1	36	722	85	362	1,206
Disposals	—	—	—	—	(100)	(100)
At 31 Mar 2013	<u>3,572</u>	<u>3,339</u>	<u>2,802</u>	<u>4,630</u>	<u>4,025</u>	<u>18,368</u>
<b>Depreciation</b>						
At 1 Apr 2012	125	689	1,463	2,439	2,680	7,396
Charge for the year	69	124	127	167	363	850
On disposals	—	—	—	—	(74)	(74)
At 31 Mar 2013	<u>194</u>	<u>813</u>	<u>1,590</u>	<u>2,606</u>	<u>2,969</u>	<u>8,172</u>
<b>Net book value</b>						
At 31 Mar 2013	<u>3,378</u>	<u>2,526</u>	<u>1,212</u>	<u>2,024</u>	<u>1,056</u>	<u>10,196</u>
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>

The net book value of tangible fixed assets includes an amount of £508,084(2012 £520,000) which are on hire with customers

**Hire purchase agreements**

Included within the net book value of £10,196,000 is £Nil (2012 - £Nil) 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 £Nil (2012 - £215,000)

**12. Stocks**

	<b>2013 £000</b>	<b>2012 £000</b>
Raw materials	105	122
Finished goods	<u>11,448</u>	<u>10,944</u>
	<u>11,553</u>	<u>11,066</u>

# MAWDSLEY-BROOKS & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

### 13 Debtors

	2013	2012
	£000	£000
Trade debtors	20,816	18,073
Amounts owed by group undertakings	9,886	9,532
Corporation tax repayable	780	89
Other debtors	127	345
Prepayments and accrued income	722	697
	<u>32,331</u>	<u>28,736</u>

### 14. Creditors: Amounts falling due within one year

	2013	2012
	£000	£000
Bank loans and overdrafts	7,693	690
Trade creditors	22,024	27,324
PAYE and social security	326	310
VAT	2,174	1,011
Hire purchase agreements	180	335
Other creditors	440	165
Accruals and deferred income	4,580	2,827
	<u>37,417</u>	<u>32,662</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

	2013	2012
	£000	£000
Bank loans	853	1,137
Hire purchase agreements	59	274
	<u>912</u>	<u>1,411</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

	2013	2012
	£000	£000
Amounts repayable		
In one year or less or on demand	7,693	690
In more than one year but not more than two years	566	1,137
In more than two years but not more than five years	287	—
	<u>8,546</u>	<u>1,827</u>

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

**MAWDSLEY-BROOKS & COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

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**17. Commitments under hire purchase agreements**

Future commitments under hire purchase agreements are as follows

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Amounts payable within 1 year	180	335
Amounts payable between 1 and 2 years	59	249
Amounts payable between 3 and 5 years	-	25
	<u>239</u>	<u>609</u>
Hire purchase agreements are analysed as follows		
Current obligations	180	335
Non-current obligations	59	274
	<u>239</u>	<u>609</u>

**18. Deferred taxation**

The movement in the deferred taxation provision during the year was

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
At 1 Apr 2012	320	305
Profit and loss account movement arising during the year	(112)	15
At 31 Mar 2013	<u>208</u>	<u>320</u>

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

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Excess of taxation allowances over depreciation on fixed assets	208	320
	<u>208</u>	<u>320</u>

**19. Derivatives**

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

# MAWDSLEY-BROOKS & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

### 20. Commitments under operating leases

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as set out below

	2013		2012	
	Land and buildings £000	Other Items £000	Land and buildings £000	Other Items £000
Operating leases which expire				
Within 1 year	14	153	-	77
Within 2 to 5 years	-	2	-	2
After more than 5 years	600	-	600	-
	<u>614</u>	<u>155</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.

### 22. Share capital

#### Authorised share capital:

	2013 £000	2012 £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:

	2013		2012	
	No	£000	No	£000
Ordinary shares of £1 each	554,880	555	554,880	555
Ordinary "A" Shares of £1 each	2,317,440	2,317	2,317,440	2,317
Ordinary "B" Shares of £1 each	264,800	265	264,800	265
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.

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**MAWDSLEY-BROOKS & COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2013**

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**24. Other reserves**

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Capital redemption reserve	<u>4</u>	<u>4</u>

**25. Profit and loss account**

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Balance brought forward	12,099	11,966
Profit for the financial year	618	733
Equity dividends	(350)	(600)
Balance carried forward	<u>12,367</u>	<u>12,099</u>

**26. Reconciliation of movements in shareholders' funds**

	<b>2013</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>
Profit for the financial year	618	733
Equity dividends	(350)	(600)
Net addition to shareholders' funds	268	133
Opening shareholders' funds	15,284	15,151
Closing shareholders' funds	<u>15,552</u>	<u>15,284</u>

**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.

**MAWDSLEY-BROOKS & COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

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**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 Mawdsley 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.