

REGISTERED NUMBER: 00316674 (England and Wales)

Signed Accounts - Incl Audit

**Report of the Directors and
Audited Financial Statements for the year ended 31 July 2010
for
Cox and Robinson (Chemists) Limited**

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for the year ended 31 July 2010**

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Cox and Robinson (Chemists) Limited

**Company Information
for the year ended 31 July 2010**

DIRECTORS:

A J Britton
A T Evans
S M Allan
Mrs C M Freeman

SECRETARY:

Mrs J C Powell

REGISTERED OFFICE:

Phoenix House
1 Market Square
Stony Stratford
Milton Keynes
Buckinghamshire
MK11 1BE

REGISTERED NUMBER:

00316674 (England and Wales)

AUDITORS:

Royston Parkin Limited
Chartered Certified Accountants
& Statutory Auditor
95 Queen Street
Sheffield
South Yorkshire
S1 1WG

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Report of the Directors
for the year ended 31 July 2010**

The directors present their report with the financial statements of the company for the year ended 31 July 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of community pharmacy services

REVIEW OF BUSINESS

The year has been a satisfactory one and the directors expect this to continue in the coming year despite ongoing changes in the regulatory framework affecting pharmacies

Continuing growth is dependent upon the overall market for Health Services within this country

DIVIDENDS

No dividends will be distributed for the year ended 31 July 2010

FUTURE DEVELOPMENTS

The company is expecting to have a similar gross profit percentage over the coming year, and is to continue its strategy to expand its activities through both acquisition and by internal means

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2009 to the date of this report

A J Britton
A T Evans
S M Allan
Mrs C M Freeman

TRANSFERS TO/FROM RESERVES

Transfers to the reserves this year relate to

- Revaluation of intangible assets amounting to £561,500

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Report of the Directors
for the year ended 31 July 2010**

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise bank balances, trade creditors, trade debtors and loans from the company. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance to enable the continued day to day running of the business. The company makes use of the money market facilities where funds are available.

In respect of loans these are from the directors and group companies. The interest rate on these loans is based on the bank base rate adjusted as appropriate. The loans are repayable on demand.

Trade debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding for time limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made the following donations:

Charitable - £275 (2009 £479)

RISKS & UNCERTAINTIES

The main risks and uncertainties affecting the company relate to its reliance on government policy with regard to the future of the NHS, and further review by the Office of Fair Trading regarding competition and pricing issues.

EURO ISSUES

The company's systems are Euro compatible and a joint pricing structure is in place. The company has assessed the situation and does not anticipate any problems if the Euro is introduced in the UK.

CLOSE COMPANY STATUS

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Report of the Directors
for the year ended 31 July 2010**

KEY PERFORMANCE INDICATORS

	Year Ended 31 7 10	Year Ended 31 7.09
Number of pharmacy branches	12	12
Total number of staff	185	181
Number of pharmacy refits inc consultation areas	1	4
Turnover	18,012,814	16,897,642
Gross profit	5,066,733	5,024,808
Number of Prescriptions	1,579,694	1,445,704

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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,
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Report of the Directors
for the year ended 31 July 2010**


AUDITORS

The auditors, Royston Parkin Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:



A T Evans - Director


17 ~~January~~ February 2011

Report of the Independent Auditors to the Shareholders of Cox and Robinson (Chemists) Limited

We have audited the financial statements of Cox and Robinson (Chemists) Limited for the year ended 31 July 2010 on pages eight to twenty four. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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 the directors, and the overall presentation of the financial statements.

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 July 2010 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 matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Shareholders of
Cox and Robinson (Chemists) Limited**

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



Ms Lynn Catherine Pridmore (Senior Statutory Auditor)
for and on behalf of Royston Parkin Limited
Chartered Certified Accountants
& Statutory Auditor
95 Queen Street
Sheffield
South Yorkshire
S1 1WG

Date 18th February 2011

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Profit and Loss Account
for the year ended 31 July 2010**

	Notes	2010 £	2009 £
TURNOVER		18,012,814	16,897,642
Cost of sales		12,946,081	11,872,834
GROSS PROFIT		5,066,733	5,024,808
Administrative expenses		4,080,288	4,109,526
		986,445	915,282
Other operating income		37,675	16,158
OPERATING PROFIT	3	1,024,120	931,440
Interest receivable and similar income		854	-
		1,024,974	931,440
Interest payable and similar charges	4	92,550	30,964
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		932,424	900,476
Tax on profit on ordinary activities	5	306,574	296,099
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		625,850	604,377

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Statement of Total Recognised Gains and Losses
for the year ended 31 July 2010**

	2010 £	2009 £
PROFIT FOR THE FINANCIAL YEAR	625,850	604,377
NHS Contract Revaluation	561,500	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>1,187,350</u>	<u>604,377</u>

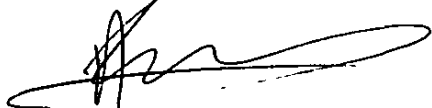
The notes form part of these financial statements

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Balance Sheet
31 July 2010**

	Notes	2010 £	2009 £
FIXED ASSETS			
Intangible assets	6	5,054,479	4,534,922
Tangible assets	7	3,671,926	3,946,883
Investments	8	5,780	5,780
		<u>8,732,185</u>	<u>8,487,585</u>
CURRENT ASSETS			
Stocks	9	930,304	966,045
Debtors	10	1,937,447	1,807,533
Cash at bank and in hand		1,698,184	1,353,992
		<u>4,565,935</u>	<u>4,127,570</u>
CREDITORS			
Amounts falling due within one year	11	2,475,032	2,620,106
NET CURRENT ASSETS		<u>2,090,903</u>	<u>1,507,464</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,823,088</u>	<u>9,995,049</u>
CREDITORS			
Amounts falling due after more than one year	12	(1,304,342)	(1,716,994)
PROVISIONS FOR LIABILITIES	16	(202,979)	(149,638)
NET ASSETS		<u><u>9,315,767</u></u>	<u><u>8,128,417</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	150,000	150,000
NHS Contract Reserve	18	4,961,500	4,400,000
Profit and loss account	18	4,204,267	3,578,417
SHAREHOLDERS' FUNDS	23	<u><u>9,315,767</u></u>	<u><u>8,128,417</u></u>

The financial statements were approved by the Board of Directors on 17 ^{February} ~~January~~ 2011 and were signed on its behalf by



A T Evans - Director

The notes form part of these financial statements

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Cash Flow Statement
for the year ended 31 July 2010**

	Notes	2010 £	2009 £
Net cash inflow from operating activities	1	1,032,269	1,208,130
Returns on investments and servicing of finance	2	(91,696)	(30,964)
Taxation		(241,392)	(268,740)
Capital expenditure	2	(36,084)	(3,580,788)
		<u>663,097</u>	<u>(2,672,362)</u>
Financing	2	(318,905)	1,952,701
Increase/(Decrease) in cash in the period		<u>344,192</u>	<u>(719,661)</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase/(Decrease) in cash in the period		344,192	(719,661)
Cash outflow/(inflow) from decrease/(increase) in debt		<u>396,216</u>	<u>(1,963,328)</u>
Change in net debt resulting from cash flows		<u>740,408</u>	<u>(2,682,989)</u>
Movement in net debt in the period		740,408	(2,682,989)
Net (debt)/funds at 1 August		<u>(759,215)</u>	<u>1,923,774</u>
Net debt at 31 July		<u>(18,807)</u>	<u>(759,215)</u>

The notes form part of these financial statements

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Cash Flow Statement
for the year ended 31 July 2010**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010	2009
	£	£
Operating profit	1,024,120	931,440
Depreciation charges	353,383	318,253
(Profit)/Loss on disposal of fixed assets	(399)	5,840
NHS Clawback	73,598	-
Onerous Contract	(27,257)	80,638
Decrease/(Increase) in stocks	35,741	(43,197)
Increase in debtors	(123,247)	(194,502)
(Decrease)/Increase in creditors	(303,670)	109,658
Net cash inflow from operating activities	1,032,269	1,208,130

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2010	2009
	£	£
Returns on investments and servicing of finance		
Interest received	854	-
Interest paid	(92,550)	(30,964)
Net cash outflow for returns on investments and servicing of finance	(91,696)	(30,964)
Capital expenditure		
Purchase of intangible fixed assets	-	(41,000)
Purchase of tangible fixed assets	(38,027)	(3,551,426)
Sale of tangible fixed assets	1,943	11,638
Net cash outflow for capital expenditure	(36,084)	(3,580,788)
Financing		
New loans in year	-	2,100,000
Loan repayments in year	(396,216)	(136,672)
Amount introduced by directors	3,333	3,333
Amount withdrawn by directors	(10,000)	-
Net group balances	83,978	(13,960)
Net cash (outflow)/inflow from financing	(318,905)	1,952,701

The notes form part of these financial statements

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Cash Flow Statement
for the year ended 31 July 2010**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 8 09 £	Cash flow £	At 31 7.10 £
Net cash			
Cash at bank and in hand	1,353,992	344,192	1,698,184
	<u>1,353,992</u>	<u>344,192</u>	<u>1,698,184</u>
Debt			
Debts falling due within one year	(396,213)	(16,436)	(412,649)
Debts falling due after one year	(1,716,994)	412,652	(1,304,342)
	<u>(2,113,207)</u>	<u>396,216</u>	<u>(1,716,991)</u>
Total	<u>(759,215)</u>	<u>740,408</u>	<u>(18,807)</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 July 2010**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Preparation of consolidated financial statements

The financial statements contain information about Cox and Robinson (Chemists) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, W R Evans (Chemist) Limited, a company registered in England.

Turnover

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

Intangible assets

Goodwill, being the amount paid in connection with the acquisition of 2 businesses is being amortised evenly over its estimated useful life. This is considered to be between 5 and 10 years.

The directors consider NHS Contracts to be intangible assets separable from goodwill.

The NHS Contracts held by individual pharmacies are included in the accounts at valuation. This takes into account branch turnover, profitability and the external market relating to the resale values of pharmacy contracts.

The directors have reviewed the NHS Contract values and have revalued them in order to give a true and fair view of their value as at the year end date.

Changes in valuation of NHS Contracts are transferred to a capital reserve. The cost of purchased contracts are capitalised at acquisition.

The value of the NHS Contract is currently regarded as not being subject to amortisation as it is not legally limited as to time. The rights to the contract continue subject to the company's professional competence and ability to service the contract.

Tangible fixed assets

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

Fixtures and fittings	- 10% - 20% Reducing Balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock has been valued at the lower of cost and net realisable value after adjusting for discounts received or allowable, on a first in first out basis. Cost is established by a firm of professional chemists valuers by reducing the retail value and deducting value added tax together with the profit element of each product. Net realisable value is based on the estimated selling price less any further costs expected to be incurred to disposal.

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

1 ACCOUNTING POLICIES - continued

Deferred tax

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, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is 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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

2 STAFF COSTS

The aggregate payroll costs of the above were

	Year Ended 31 7 10	Year Ended 31 7 09
Wages and salaries	2,613,069	2,556,357
Social security costs	161,931	172,469
Other pension costs	1,469	1,469
	<u>2,776,469</u>	<u>2,730,295</u>

The average monthly number of employees during the period was as follows

Number of sales staff	179	174
Number of administrative staff	6	7
	<u>185</u>	<u>181</u>

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2010 £	2009 £
Depreciation - owned assets	249,553	147,981
(Profit)/Loss on disposal of fixed assets	(399)	5,840
Goodwill amortisation	41,944	170,271
Auditors' remuneration	10,000	10,000
	<u> </u>	<u> </u>
Directors' remuneration	146,300	230,571
	<u> </u>	<u> </u>

A split of non audit related remuneration paid to the auditors has not been separately disclosed in these accounts as full disclosure is made in the consolidated accounts of the groups parent company

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £	2009 £
Loan interest	92,550	30,964
	<u> </u>	<u> </u>

5 TAXATION

Analysis of the tax charge

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

	2010 £	2009 £
Current tax		
UK corporation tax	299,574	262,398
Prior year tax adjustment	-	(7,251)
	<u> </u>	<u> </u>
Total current tax	299,574	255,147
Deferred tax	7,000	40,952
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	306,574	296,099
	<u> </u>	<u> </u>

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>932,424</u>	<u>900,476</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	261,079	252,133
Effects of Excess of depreciation charged over capital allowances	54,509	(23,587)
Disallowable expenses	-	6,362
Under/over provision in earlier year	(267)	(7,251)
Amortisation of intangibles exceeds writing down allowance	3,027	37,563
Lease Premium deduction in the financial statements	(18,774)	(10,073)
Current tax charge	<u>299,574</u>	<u>255,147</u>

6 INTANGIBLE FIXED ASSETS

	Goodwill £	NHS Contract £	Totals £
COST OR VALUATION			
At 1 August 2009	1,713,501	4,400,000	6,113,501
Revaluations	-	561,500	561,500
At 31 July 2010	<u>1,713,501</u>	<u>4,961,500</u>	<u>6,675,001</u>
AMORTISATION			
At 1 August 2009	1,578,578	-	1,578,578
Amortisation for year	41,944	-	41,944
At 31 July 2010	<u>1,620,522</u>	<u>-</u>	<u>1,620,522</u>
NET BOOK VALUE			
At 31 July 2010	<u>92,979</u>	<u>4,961,500</u>	<u>5,054,479</u>
At 31 July 2009	<u>134,923</u>	<u>4,400,000</u>	<u>4,534,923</u>

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

6 INTANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 July 2010 is represented by

	Goodwill £	NHS Contract £	Totals £
Valuation in 2007	-	4,400,000	4,400,000
Valuation in 2010	-	561,500	561,500
Cost	1,713,501	-	1,713,501
	<u>1,713,501</u>	<u>4,961,500</u>	<u>6,675,001</u>

7 TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 August 2009	61,886	3,181,445	1,318,835	49,410	4,611,576
Additions	-	1,272	28,375	8,380	38,027
Disposals	(61,886)	-	-	(6,737)	(68,623)
At 31 July 2010	<u>-</u>	<u>3,182,717</u>	<u>1,347,210</u>	<u>51,053</u>	<u>4,580,980</u>
DEPRECIATION					
At 1 August 2009	-	167,472	471,696	25,526	664,694
Charge for year	-	141,977	100,139	7,437	249,553
Eliminated on disposal	-	-	-	(5,193)	(5,193)
At 31 July 2010	<u>-</u>	<u>309,449</u>	<u>571,835</u>	<u>27,770</u>	<u>909,054</u>
NET BOOK VALUE					
At 31 July 2010	<u>-</u>	<u>2,873,268</u>	<u>775,375</u>	<u>23,283</u>	<u>3,671,926</u>
At 31 July 2009	<u>61,886</u>	<u>3,013,973</u>	<u>847,139</u>	<u>23,884</u>	<u>3,946,882</u>

8 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 August 2009 and 31 July 2010	<u>5,780</u>
NET BOOK VALUE	
At 31 July 2010	<u>5,780</u>
At 31 July 2009	<u>5,780</u>

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

8 FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following

Cox and Robinson Pharmacy Limited

Nature of business Dormant Company

	%
Class of shares	holding
Ordinary 'A' Shares	100 00
Ordinary 'B' Shares	100 00

9 STOCKS

	2010	2009
	£	£
Finished goods	<u>930,304</u>	<u>966,045</u>

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Trade debtors	1,653,088	1,550,605
Other debtors	8,193	12,201
Directors' current accounts	12,223	5,556
VAT	169,947	156,959
Prepayments	93,996	82,212
	<u>1,937,447</u>	<u>1,807,533</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Bank loans and overdrafts (see note 13)	412,649	396,213
Trade creditors	1,102,089	1,337,395
Amounts owed to group undertakings	652,234	568,256
Tax	148,122	89,940
Social security and other taxes	43,912	44,720
Other creditors	20,000	44,457
Wages control	-	24,929
Accrued expenses	96,026	114,196
	<u>2,475,032</u>	<u>2,620,106</u>

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010 £	2009 £
Bank loans (see note 13)	1,154,463	1,567,115
Preference shares (see note 13)	149,879	149,879
	<u>1,304,342</u>	<u>1,716,994</u>

The preference shares carry a fixed dividend of 13 pence each per annum, payable half yearly in arrears on 31 January and 31 July. The dividend rights are cumulative. The preference shareholders have waived their right to a dividend this year and for the previous nine years. The total amount of preference share dividend arrears at the period end was £111,320 (2009 £100,188).

The participating shares carry a fixed dividend of 11 pence each per annum, payable half yearly in arrears on 31 January and 31 July. The participating shares also carry the right to a further dividend of a net cash sum equal to 5% of the consolidated profit of the group in excess of £200,000 per annum to include the remuneration of the holding company directors less the fixed amounts already paid. The rights are cumulative. The participating shareholders have waived their right to a dividend this year and for the previous nine years. The total amount of participating share dividend arrears at the period end was £70,678 (2009 £63,610).

The preference shares and participating shares carry no votes at meetings unless the dividend payments are six months or more in arrears, when the shares carry a right to one vote for every £1 in nominal amount of shares held.

In the event of the company being wound up the preference and participating shareholders have the right to receive £1 per share held together with any arrears of dividend. The participating shareholders also have the right to receive a distribution from the balance of the assets of the company in proportion to the amounts paid up on shares held.

13 LOANS

An analysis of the maturity of loans is given below

	2010 £	2009 £
Amounts falling due within one year or on demand		
Bank loans	<u>412,649</u>	<u>396,213</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>417,016</u>	<u>412,649</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>737,447</u>	<u>1,154,466</u>

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

13 LOANS - continued

	2010 £	2009 £
Amounts falling due in more than five years		
Repayable otherwise than by instalments		
Preference shares	<u>149,879</u>	<u>149,879</u>

Details of shares shown as liabilities are as follows

Allotted, issued and fully paid				
Number	Class	Nominal value	2010 £	2009 £
85,630	13% Cumulative preference shares	£1	85,630	85,630
64,249	11% Cumulative convertible participating shares	£1	<u>64,249</u>	<u>64,249</u>
			<u>149,879</u>	<u>149,879</u>

14 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	2010 £	2009 £
Expiring		
Within one year	-	9,500
Between one and five years	39,915	30,240
In more than five years	<u>313,720</u>	<u>303,850</u>
	<u>353,635</u>	<u>343,590</u>

15 SECURED DEBTS

The following secured debts are included within creditors

	2010 £	2009 £
Bank loans	<u>1,567,112</u>	<u>1,963,328</u>

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

16 PROVISIONS FOR LIABILITIES

	2010 £	2009 £
Deferred tax	<u>76,000</u>	<u>69,000</u>
Other provisions		
NHS Clawback provision	73,598	-
Onerous Contract Provision	<u>53,381</u>	<u>80,638</u>
	<u>126,979</u>	<u>80,638</u>
Aggregate amounts	<u>202,979</u>	<u>149,638</u>
	Deferred tax	Other Provisions
	£	£
Balance at 1 August 2009	69,000	80,638
reversal of timing differences		
Movement in the period	7,000	(27,257)
NHS Clawback provision	-	<u>73,598</u>
Balance at 31 July 2010	<u>76,000</u>	<u>126,979</u>

No provision has been made for deferred tax on gains recognised on re-valuing NHS Contracts to market value. Such tax would become payable only if the contract were sold without being possible to rollover the gain. The total amount unprovided is £987,000 (2009 £1,269,000). At present no contracts have been sold and therefore it is not envisaged that any tax will become payable in the foreseeable future.

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2010	2009
Number	Class	Nominal value	£	£
150,000	Ordinary shares	£1	<u>150,000</u>	<u>150,000</u>

Cox and Robinson (Chemists) Limited (Registered number: 00316674)

**Notes to the Financial Statements - continued
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18 RESERVES

	Profit and loss account £	NHS Contract Reserve £	Totals £
At 1 August 2009	3,578,417	4,400,000	7,978,417
Profit for the year	625,850		625,850
Revaluation	-	561,500	561,500
At 31 July 2010	<u>4,204,267</u>	<u>4,961,500</u>	<u>9,165,767</u>

19 ULTIMATE PARENT COMPANY

The ultimate parent company is W R Evans (Chemist) Limited who own the entire share capital

20 CAPITAL COMMITMENTS

The company did not have any capital commitments as at the year end date

21 TRANSACTIONS WITH DIRECTORS

S M Allan owed the company £12,222 (2009 £5,556) at 31 July 2010. The maximum amount of the loan during the year was £12,222 (2009 £8,889). The loan has been given interest free and is repayable in monthly instalments. If Mr Allan leaves the company then the whole balance at that time will become repayable.

22 ULTIMATE CONTROLLING PARTY

The controlling parent company W R Evans (Chemists) Limited is under the ultimate control of Mrs A Evans both in her own right and as executor of the estate of Mr W R Evans.

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Profit for the financial year	625,850	604,377
Other recognised gains and losses relating to the year (net)	561,500	-
Net addition to shareholders' funds	<u>1,187,350</u>	<u>604,377</u>
Opening shareholders' funds	8,128,417	7,524,040
Closing shareholders' funds	<u>9,315,767</u>	<u>8,128,417</u>

**Notes to the Financial Statements - continued
for the year ended 31 July 2010**

24 BANK SECURITY

Debenture including fixed charge over all present freehold and leasehold property, first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, and first floating charge over all assets and undertaking both present and future dated 1st September 2006

Composite Company Limited Multilateral Guarantee dated 1st September 2006 is given by Cox and Robinson (Chemists) Limited, Cox and Robinson Pharmacy Limited, W R Evans (Chemist) Limited and The Manor Drug Company (Nottingham) Limited

25 POWER TO AMEND FINANCIAL STATEMENTS

As the company's ultimate parent company is family owned, they have the power to amend the financial statements after issue if they deem this necessary