

Company Registration No. 03626868 (England and Wales)

DURBIN PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2013



DURBIN PLC

COMPANY INFORMATION

Directors	L Morgan OBE C Gleen
Secretary	C Gleen
Company number	03626868
Registered office	180 Northolt Road Harrow Middlesex HA2 0LT
Auditor	Montpelier Audit Limited Chartered Accountants 58-60 Berners Street London W1T 3JS

DURBIN PLC

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DURBIN PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2013

The directors present their report and financial statements for the year ended 30 November 2013.

Review of the business

The directors are pleased to report that revenues increased in 2013 and that continued growth is expected in all areas of the business in the forthcoming year.

In order to allow for growing business activity and better serve its client base, the company has since the year end moved into a third warehouse.

As always we are aware that our successes are as a result of the team effort of all staff and thank them all for their continued outstanding efforts and contributions to all areas of the business.

Business risk

The operating performance and future prospects are dependent on the company's ability to identify suitable products and to maximise profit margin whilst ensuring excellent logistical and support services for the customer.

Credit risk

Credit risk arises from trade debtors where the other party fails to discharge their obligations. The company continues to apply rules and procedures designed to minimise this risk whilst maintaining the commercial attractiveness of the company to customers. There is no concentration of credit risk.

Currency risk

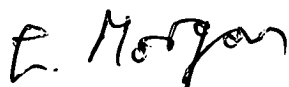
As the company exports pharmaceutical and other products, there is the risk of exchange rate differences adversely affecting profitability. The directors consider the cost of hedging to be uneconomic and have in place strategies, including buying and selling in foreign currency in order to minimise this risk.

Liquidity risk

Liquidity is monitored by reference to the number of days taken by customers to pay which averaged 32 days and the number of days to pay suppliers averaged 28 days.

The company's main key performance indicators are its turnover and gross profit margin. The growth in the overall gross profit margin to 18% on turnover is attributable to the efforts of personnel in all sectors dealing with pharmaceutical sales and medical supplies generally.

On behalf of the board



L Morgan OBE

Director

31 March 2014

DURBIN PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2013

The directors present their report and financial statements for the year ended 30 November 2013.

Principal activities and review of the business

The principal activity of the company continued to be that of wholesaling and international sales of pharmaceuticals, medical equipment and medical supplies as well as ancillary products with a continuing increase in focus on the sale of comparators and co-medicines to organisers of clinical trials.

The company continues to promote and market the company's name and expertise in the distribution of pharmaceuticals to authorised users globally.

Results and dividends

The results for the year are set out on page 6.

Directors

The following directors have held office since 1 December 2012:

L Morgan OBE
C Gleen

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	30 November 2013	1 December 2012
L Morgan OBE	1	1
C Gleen	1	1

	Ordinary shares of £1 each	
	30 November 2013	1 December 2012
L Morgan OBE	49,998	49,998
C Gleen	-	-

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
 - ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts;
- and
- pay in accordance with the company's contractual and other legal obligations.

Details of the average time taken to pay suppliers is 28 days.

Auditor

In accordance with the company's articles, a resolution proposing that Montpelier Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

DURBIN PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2013

Statement of 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 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 UK 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor are aware of that information.

On behalf of the board



L Morgan OBE

Director

31 March 2014

DURBIN PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURBIN PLC

We have audited the financial statements of Durbin plc for the year ended 30 November 2013 set out on pages 6 to 16. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 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.

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.

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. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 November 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 matter prescribed by the Companies Act 2006

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

DURBIN PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF DURBIN PLC

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.

**Jeffrey Marco FCA (Senior Statutory Auditor)
for and on behalf of Montpelier Audit Limited**

31 March 2014

**Chartered Accountants
Statutory Auditor**

58-60 Berners Street
London
W1T 3JS

DURBIN PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2013

		2013	2012
	Notes	£	as restated £
Turnover	2	39,142,688	38,037,257
Cost of sales		(32,078,751)	(31,803,151)
Gross profit		7,063,937	6,234,106
Distribution costs		(773,981)	(725,586)
Administrative expenses		(5,130,828)	(4,884,406)
Other operating income		2,281	159,583
Operating profit	3	1,161,409	783,697
Other interest receivable and similar income	4	39,041	47,328
Interest payable and similar charges	5	(125,714)	(140,041)
Profit on ordinary activities before taxation		1,074,736	690,984
Tax on profit on ordinary activities	6	(254,872)	(199,168)
Profit for the year	13	819,864	491,816

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

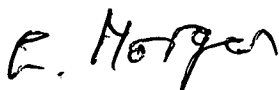
DURBIN PLC

BALANCE SHEET

AS AT 30 NOVEMBER 2013

		2013		2012	
	Notes	£	£	as restated	£
Fixed assets					
Tangible assets	7		290,438		381,934
Current assets					
Stocks	8	1,448,459		1,550,301	
Debtors	9	4,564,029		3,507,870	
Cash at bank and in hand		3,810,777		3,256,796	
		<u>9,823,265</u>		<u>8,314,967</u>	
Creditors: amounts falling due within one year	10	<u>(4,992,841)</u>		<u>(4,387,010)</u>	
Net current assets			<u>4,830,424</u>		<u>3,927,957</u>
Total assets less current liabilities			5,120,862		4,309,891
Provisions for liabilities	11		<u>(8,761)</u>		<u>(17,654)</u>
			<u>5,112,101</u>		<u>4,292,237</u>
Capital and reserves					
Called up share capital	12	25,001		25,001	
Profit and loss account	13	5,087,100		4,267,236	
Shareholders' funds	14		<u>5,112,101</u>		<u>4,292,237</u>

Approved by the Board and authorised for issue on 31 March 2014



L Morgan OBE
Director

Company Registration No. 03626868

DURBIN PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2013

	Notes	£	2013 £	£	2012 £
Net cash inflow from operating activities	19		891,973		965,307
Returns on investments and servicing of finance					
Interest received		39,041		47,328	
Interest paid		(125,714)		(140,041)	
Net cash outflow for returns on investments and servicing of finance			(86,673)		(92,713)
Taxation			(206,554)		(394,782)
Capital expenditure					
Payments to acquire tangible assets		(46,640)		(172,508)	
Receipts from sales of tangible assets		1,875		-	
Net cash outflow for capital expenditure			(44,765)		(172,508)
Net cash inflow before management of liquid resources and financing			553,981		305,304
Financing					
Repayment of other short term loans		-		(15,741)	
Net cash outflow from financing			-		(15,741)
Increase in cash in the year	20, 21		553,981		289,563

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts.

1.4 Goodwill

In past years the company annually reviewed the carrying value of goodwill which was considered an acceptable method being in line with International Reporting Standards.

The directors have now opted to revert to a policy in line with UK GAAP and in accordance with FRS10 by writing down this asset over a 10 year term.

In adopting this policy, goodwill would have been written off by 2009 and for that reason this change is reflected as a prior year adjustment in these accounts.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% on straight line basis
Land and buildings Leasehold	12.5% on straight line basis
Plant and machinery	20% on straight line basis
Fixtures, fittings & equipment	20% and 33 1/3 on straight line basis
Motor vehicles	33 1/3% on straight line basis

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets in the foreseeable future.

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2013

1 Accounting policies (continued)

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

Geographical market

	Turnover	
	2013	2012
	£	£
UK	10,077,494	12,962,207
EEC	12,223,768	10,623,473
Rest of the world	16,841,426	14,451,577
	<u>39,142,688</u>	<u>38,037,257</u>

3 Operating profit

	2013	2012
	£	£

Operating profit is stated after charging:

Depreciation of tangible assets	136,114	130,921
Loss on disposal of tangible assets	147	3,183
Loss on foreign exchange transactions and translation	126,231	134,998
Operating lease rentals	198,252	257,307
Fees payable to the company's auditor for the audit of the company's annual accounts	23,770	19,975
	<u>391,414</u>	<u>526,384</u>

4 Investment income

	2013	2012
	£	£

Bank interest	39,041	47,328
	<u>39,041</u>	<u>47,328</u>

5 Interest payable

	2013	2012
	£	£

Other interest	125,714	140,041
	<u>125,714</u>	<u>140,041</u>

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2013

6	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	263,765	206,554
	Total current tax	263,765	206,554
	Deferred tax		
	Deferred tax charge/credit current year	(8,893)	(7,386)
		254,872	199,168
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,074,736	690,984
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.07% (2012 - 23.82%)	247,942	164,592
	Effects of:		
	Non deductible expenses	5,379	35,134
	Depreciation add back	31,470	31,915
	Capital allowances	(21,026)	(25,087)
		15,823	41,962
	Current tax charge for the year	263,765	206,554

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2013

7 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost						
At 1 December 2012	20,000	68,071	522,498	471,998	25,880	1,108,447
Additions	-	-	2,469	44,171	-	46,640
Disposals	-	-	-	(19,168)	(4,550)	(23,718)
At 30 November 2013	20,000	68,071	524,967	497,001	21,330	1,131,369
Depreciation						
At 1 December 2012	4,400	17,018	288,759	393,869	22,467	726,513
On disposals	-	-	-	(19,168)	(2,528)	(21,696)
Charge for the year	400	8,507	79,750	46,066	1,391	136,114
At 30 November 2013	4,800	25,525	368,509	420,767	21,330	840,931
Net book value						
At 30 November 2013	15,200	42,546	156,458	76,234	-	290,438
At 30 November 2012	15,600	51,053	233,739	78,129	3,413	381,934

8 Stocks

	2013 £	2012 £
Finished goods and goods for resale	1,448,459	1,550,301

9 Debtors

	2013 £	2012 £
Trade debtors	3,827,541	2,829,607
Other debtors	469,637	410,002
Prepayments and accrued income	266,851	268,261
	4,564,029	3,507,870

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2013

10 Creditors: amounts falling due within one year	2013 £	2012 £
Trade creditors	2,641,432	1,946,672
Corporation tax	263,765	206,554
Other taxes and social security costs	92,399	81,174
Directors' current accounts	1,750,000	1,800,000
Other creditors	(2,204)	(3,160)
Accruals and deferred income	247,449	355,770
	<u>4,992,841</u>	<u>4,387,010</u>

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 December 2012	17,654
Profit and loss account	(8,893)
	<u>8,761</u>
Balance at 30 November 2013	<u>8,761</u>

The deferred tax liability is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	<u>8,761</u>	<u>17,654</u>

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2013

12 Share capital	2013	2012
	£	£
Authorised		
2 Ordinary shares of £1 each	2	2
49,998 Ordinary shares of £1 each	49,998	49,998
	<u>50,000</u>	<u>50,000</u>
 Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
49,998 Ordinary shares of £1 each (50p paid)	24,999	24,999
	<u>25,001</u>	<u>25,001</u>
 13 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 December 2012		4,267,236
Profit for the year		819,864
		<u>5,087,100</u>
 14 Reconciliation of movements in shareholders' funds	2013	2012
	£	£
Profit for the financial year	819,864	491,816
Opening shareholders' funds	4,292,237	3,800,421
	<u>5,112,101</u>	<u>4,292,237</u>

Opening shareholders' funds were originally £4,946,771 before adding prior year adjustments of £679,535.

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2013

15 Financial commitments

At 30 November 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 November 2014:

	Land and buildings	
	2013	2012
	£	£
Operating leases which expire:		
Between two and five years	113,750	15,000
In over five years	327,526	321,570
	<u>441,276</u>	<u>336,570</u>

16 Directors' remuneration

	2013	2012
	£	£
Remuneration for qualifying services	<u>204,500</u>	<u>200,076</u>
Remuneration disclosed above include the following amounts paid to the highest paid director:		
Remuneration for qualifying services	<u>104,500</u>	<u>119,443</u>

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013	2012
	Number	Number
Average number of employees during the year	<u>102</u>	<u>99</u>

Employment costs

	2013	2012
	£	£
Wages and salaries	3,378,952	3,145,531
Social security costs	356,303	327,982
	<u>3,735,255</u>	<u>3,473,513</u>

DURBIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2013

18 Control

The ultimate controlling party is L Morgan by virtue of his shareholding in the company.

19 Reconciliation of operating profit to net cash inflow from operating activities	2013	2012
	£	£
Operating profit	1,161,409	783,697
Depreciation of tangible assets	136,114	130,921
Loss on disposal of tangible assets	147	3,183
Decrease/(increase) in stocks	101,842	(337,923)
(Increase)/decrease in debtors	(1,056,159)	2,279,537
Increase/(decrease) in creditors within one year	548,620	(1,894,108)
Net cash inflow from operating activities	891,973	965,307

20 Analysis of net funds	1 December 2012	Cash flow	Other non-cash changes	30 November 2013
	£	£	£	£
Net cash:				
Cash at bank and in hand	3,256,796	553,981	-	3,810,777
Net funds	3,256,796	553,981	-	3,810,777

21 Reconciliation of net cash flow to movement in net funds	2013	2012
	£	£
Increase in cash in the year	553,981	289,563
Cash (inflow)/outflow from (increase)/decrease in debt	-	15,741
Movement in net funds in the year	553,981	305,304
Opening net funds	3,256,796	2,951,492
Closing net funds	3,810,777	3,256,796

22 Related party relationships and transactions

At 30 November 2013, the company owed L Morgan £1,750,000 (2012 - £1,800,000).
During the year the company paid interest to Mr Morgan of £125,714 (2012: £140,041).