

**ASSAN PHARMACY LIMITED
(FORMERLY ASSURA
PHARMACY LIMITED)**

**Annual Report and Financial
Statements**

**For the period from 1 April 2011 to
31 August 2012**

THURSDAY



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COMPANIES HOUSE

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

REPORT AND FINANCIAL STATEMENTS 2012

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ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A Patel	(appointed 12 July 2011)
Y Patel	(appointed 12 July 2011)
S Wild	(appointed 12 July 2011)
C Fishwick	(appointed 1 November 2011)
S Simpson	(appointed 1 January 2012)

REGISTERED OFFICE

Lynstock House
Lynstock Way
Lostock
Bolton
Lancashire
BL6 4SA

BANKERS

The Royal Bank of Scotland plc
3 Hardman Boulevard
Manchester
M3 3AQ

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report, for the 17 month period from 1 April 2011 to 31 August 2012

PRINCIPAL ACTIVITY

The company's principal activity continues to be the operation of retail dispensing chemists

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

On 21 June 2011 Assura Group Limited announced the disposal of the entire share capital of Assura Pharmacy Limited and its subsidiary companies to Gorgemead Limited, a member of The Cohens Group. Subsequently, on 1 November 2012, the company changed its name to Assan Pharmacy Limited

This company changed its accounting reference date and therefore these financial statements represent a period of 17 months from 1 April 2011 to 31 August 2012

The company continues to strive to promote the best possible healthcare to all the communities in which we are based by constantly training our staff to the highest standards, this said we regard our staff to be the greatest asset of the company

Almost all our pharmacies are now equipped to deliver the new pharmacy contract to the highest possible standard and we actively work in partnership with local PCTs in the promotion of additional healthcare services

The Key Performance Indicators (KPIs) that the company regard as important are

- a) gross profit margin
- b) the ratio of operating expenses to turnover
- c) the ratio of operating profit to turnover
- d) earnings before interest, tax, depreciation and amortisation (EBITDA)

For the period under review, those Key Performance Indicators were

	2012	2011
Gross margin	30.5%	31.5%
Operating expenses to turnover	23.8%	27.6%
Operating profit to turnover	6.7%	8.3%
EBITDA	£4,804,443	£3,210,009

The gross profit margin is considered satisfactory, reflecting a stable core operation for the period. The directors will again strive to improve turnover and profitability over the coming year through the continued expansion of the business by organic growth and acquisition.

RESULTS AND DIVIDENDS

The company made a profit after tax of £1,920,323 (2011 – £1,441,668) which has been transferred to reserves. The directors do not recommend payment of a dividend (2011 – same)

Restatement

In the prior year, the financial statements were drawn up under International Financial Reporting Standards. In the current period, following the acquisition by Gorgemead Limited, a member of the Cohens group, the financial statements have been drawn up under United Kingdom accounting standards. The impact on the profit after tax and shareholders' funds for the prior year is an increase of £440,933, due to the differences in accounting for deferred taxation between the accounting standards. In addition, an adjustment has been made to the opening reserves position as at 1 April 2010 of £2,093,967 to take account of this change in accounting policy as a prior year adjustment.

DIRECTORS

The directors who served during the period and to the date of this report are as noted on page 1. Assura Limited, Mr N Rawlings and Mr T Davies resigned on 12 July 2011.

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

DIRECTORS' REPORT (continued)

BUSINESS AND FINANCIAL RISKS

The company operates in a highly regulated market and significant changes to those regulations may have a significant impact on the business, adverse or otherwise

The company is subject to the rules and regulations of a number of authorities and regulatory bodies, the company considers the uncertainties in the external environment when developing its strategy and reviewing performance. As part of our day-to-day operations we engage with relevant organisations to ensure we continue to trade under the current guidelines and to ensure that the views of our customers and employees are represented and try to contribute to important changes in policy

The directors and the management of the company constantly review any potential changes to regulations that may have an adverse or otherwise impact on the business

The company has established a risk and financial management framework whose primary objective is to protect the company from events that hinder the achievement of its performance objectives

The company finances the operations through bank funding and related party funding as shown in notes 11 and 12. The company is at potential risk from an increase in interest rates on the facility, and hedges this risk by using an interest rate cap and monitoring the changes in interest rates

GOING CONCERN

The company operates in a highly regulated market. Its primary customer is the NHS and, accordingly, the company faces relatively little business or credit risk. There will always be a market for prescription medicines and the directors do not consider that changes in the method of delivery of those medicines are likely in the short to medium term. As a result, it is relatively straight-forward to forecast the company's cash and borrowing requirements. The company is financed in part by a three year senior term facility and in part by related party loans. The company's bankers remain supportive as evidenced by the renewed facility which commenced in the previous year. These expire in August 2014. Additionally, the related parties have confirmed the continuance of the loans which they have made to the business

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facility. Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further details regarding the going concern basis of accounting can be found in note

DISABLED EMPLOYEES

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate

EMPLOYEE INVOLVEMENT

During the period, 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

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

DIRECTORS' REPORT (continued)

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP was appointed auditor during the period A resolution to appoint Deloitte LLP as auditor will be put to the members at the Annual General Meeting

Approved by the Board of Directors on 24 MAR 2013
and signed on behalf of the Board

A Patel
Director

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSAN PHARMACY LIMITED (formerly ASSURA PHARMACY LIMITED)

We have audited the financial statements of Assan Pharmacy Limited (formerly Assura Pharmacy Limited) for the 17 month period ended 31 August 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 23. 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, 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 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. 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 August 2012 and of its profit for the period 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.

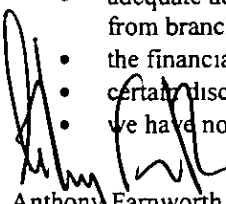
Opinion on other matter prescribed by the Companies Act 2006

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

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.


Anthony Farnworth BA (Hons) ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

28/05/2013

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

PROFIT AND LOSS ACCOUNT

17 month period ended 31 August 2012

		Period ended 31 August 2012 £	Year ended 31 March 2011 (restated – note 1) £
	Note		
TURNOVER	1	50,752,424	33,558,325
Cost of sales		(35,267,417)	(22,975,594)
GROSS PROFIT		<u>15,485,007</u>	<u>10,582,731</u>
Administrative expenses (before exceptional items)		(12,076,188)	(9,268,898)
Sale of pharmacy licences		-	174,646
Impairment reversal on pharmacy licences		-	1,301,765
OPERATING PROFIT	2	3,408,819	2,790,244
Interest receivable	4	-	185,935
Interest payable	5	(55,376)	(898,449)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>3,353,443</u>	<u>2,077,730</u>
Tax on profit on ordinary activities	6	(1,433,120)	(636,062)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	18,19	<u><u>1,920,323</u></u>	<u><u>1,441,668</u></u>

All items above arose from continuing operations

There are no recognised gains and losses other than the profit for the current period and preceding year as shown above. Accordingly, a separate statement of total recognised gains and losses is not presented

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

BALANCE SHEET As at 31 August 2012

			(Restated – note 1)
		31 August 2012	31 March 2011
	Note	£	£
FIXED ASSETS			
Intangible assets	7	15,205,157	16,505,976
Tangible assets	8	3,699,006	3,460,513
Investments	9	1,654,116	1,654,116
		<u>20,558,279</u>	<u>21,620,605</u>
CURRENT ASSETS			
Stocks	10	1,838,434	1,875,312
Debtors	11	17,481,400	13,254,275
Cash at bank and in hand		65,146	2,816,460
		<u>19,384,980</u>	<u>17,946,047</u>
CREDITORS: Amounts falling due within one year	12	(26,433,983)	(27,772,964)
NET CURRENT LIABILITIES		<u>(7,049,003)</u>	<u>(9,826,917)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,509,276</u>	<u>11,793,688</u>
PROVISIONS FOR LIABILITIES			
Other provision	14	-	204,735
CAPITAL AND RESERVES			
Called up share capital	17	17,000,000	17,000,000
Retained earnings	18	(3,490,724)	(5,411,047)
SHAREHOLDERS' FUNDS	19	<u>13,509,276</u>	<u>11,588,953</u>
CAPITAL EMPLOYED		<u>13,509,276</u>	<u>11,793,688</u>

The financial statements of Assan Pharmacy Limited (formerly Assura Pharmacy Limited), company registration number 5171309, were approved by the Board of Directors and authorised for issue on 24 May 2013

Signed on behalf of the Board of Directors



C Fishwick
Director

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 month period ended 31 August 2012

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the current period and preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom accounting standards.

Restatement

In the prior year, the financial statements were drawn up under International Financial Reporting Standards. In the current period, following the acquisition by Gorgemead Limited, a member of the Cohens group, the financial statements have been drawn up under United Kingdom accounting standards. The impact on the profit after tax and shareholders' funds for the prior year is an increase of £440,933, due to the differences in accounting for deferred taxation between the accounting standards. In addition, an adjustment has been made to the opening reserves position as at 1 April 2010 of £2,093,967 to take account of this change in accounting policy as a prior year adjustment.

Going concern

Although the current economic conditions create uncertainty, the company operates in a highly regulated market. Its primary customer is the NHS and, accordingly, the company faces relatively little business or credit risk. There will always be a market for prescription medicines and the directors do not consider that changes in the method of delivery of those medicines are likely in the short to medium term. As a result, it is relatively straight-forward to forecast the company's cash and borrowing requirements. The company is financed in part by a three year senior term facility and in part by related party loans. The company's bankers remain supportive as evidenced by the renewed facility which commenced in the previous year. These expire in August 2014. Additionally, the related parties have confirmed the continuance of the loans which they have made to the business.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facility. Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Consolidated financial statements

The company and its subsidiary undertakings are included in consolidated financial statements for a larger group, Asan Holdings Limited incorporated in Jersey, drawn up to the same date in the same financial year. Accordingly the company, in accordance with the exemption in section 401 of the Companies Act 2006, has not prepared consolidated financial statements.

Cash flow statement

The company has taken exemption from preparing a cash flow statement on the grounds that its cash flows are included in the consolidated financial statements of its parent company Asan Holdings Limited, which are publicly available.

Intangible fixed assets

Goodwill, representing the excess of the purchase price over the fair value of the net assets acquired, is capitalised and reviewed for impairment annually. It is reviewed for impairment at the end of the first full financial year following the acquisition and annually thereafter.

Licences consist of intangible assets acquired from subsidiary companies and the development of pharmacy contracts. These intangible assets are measured at cost and have indefinite useful lives as the pharmacy contracts do not have a date of expiration. These assets are therefore not subject to amortisation.

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued) 17 month period ended 31 August 2012

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment

Depreciation is provided on all tangible fixed assets, other than land, at rates calculated less estimated residual value, over the useful economic life of that asset as follows

Leasehold improvements	over the remaining period of the lease
Motor vehicles	25% reducing balance
Fixtures & fittings	10% straight line
IT equipment and software	20% - 33% straight line

Freehold land is not depreciated

Impairments

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. Impairment losses are recognised in the profit and loss account

Investments

Fixed assets investments are stated at cost less provision for diminution in value

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is the purchase price of the materials. Net realisable value is based on estimated selling price less all further marketing, selling and distribution costs. Provision is made for obsolete, slow moving or defective items where appropriate

Turnover

The turnover shown in the profit and loss account represents amounts derived from the sale of goods and dispensing of prescription medicines and associated services wholly in the UK, exclusive of Value Added Tax. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 month period ended 31 August 2012

1 ACCOUNTING POLICIES (continued)

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2. OPERATING PROFIT

This is stated after charging/(crediting)

	Period ended 31 August 2012 £	Year ended 31 March 2011 £
Depreciation and amortisation	1,395,624	419,765
Operating lease payments	1,186,736	878,802
Fees payable to the company's auditor for the audit of the company's annual financial statements	13,000	12,800
Fees payable to the company's auditor for tax services to the company	3,500	-
Exceptional items		
- sale of pharmacy licences	-	(174,646)
- impairment reversal on pharmacy licences	-	(1,301,765)

The exceptional items in the prior year relate to the sale proceeds less carrying value in the financial statements of pharmacy licenses and the reversal of the impairment on pharmacy licences (see note 1)

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued) 17 month period ended 31 August 2012

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Average number of persons employed including directors

	2012 Number	2011 Number
Administration	246	236
Management	36	14
	<u>282</u>	<u>250</u>

Staff costs during the period:

	Period ended 31 August 2012 £	Year ended 31 March 2011 £
Wages and salaries	6,314,589	4,602,983
Social security costs	472,293	420,813
	<u>6,786,882</u>	<u>5,023,796</u>

Included in wages and salaries is a charge in respect of share-based payments of £nil (2011 - £104,653)

Directors' emoluments

	Period to 31 August 2012 £	Year to 1 April 2011 £
Directors' remuneration	-	366,692
Highest paid director included in above	-	210,871

No amounts were paid to directors in respect of pension contributions (2011 – same)

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 month period ended 31 August 2012

4. INTEREST RECEIVABLE

	Period ended 31 August 2012 £	Year ended 31 March 2011 £
Interest receivable on amounts owed by group undertakings	-	185,935

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period ended 31 August 2012 £	Year ended 31 March 2011 £
Bank interest payable	20,325	-
Interest payable on amounts owed to group undertakings	35,051	898,449
	<u>55,376</u>	<u>898,449</u>

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued) 17 month period ended 31 August 2012

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Period ended 31 August 2012 £	(Restated – note 1) Year ended 31 March 2011 £
Current tax		
UK corporation tax	-	-
Deferred tax charge		
Origination and reversal of timing differences	1,060,504	636,062
Effect of changes in tax rates	43,502	-
Adjustment in respect of prior years	329,114	-
Total tax on profit on ordinary activities	1,433,120	636,062

Factors affecting tax for the period/year

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows

	Period ended 31 August 2012 £	(Restated – note 1) Year ended 31 March 2011 £
Profit on ordinary activities before taxation	3,353,443	2,077,730
Tax on ordinary activities at UK standard rate of 25 1% (2011 - 28%)	841,714	581,764
Effects of		
Expenses not deductible for tax purposes	193,829	-
Non qualifying depreciation	47,303	-
Utilisation of tax losses brought forward	(1,082,846)	(581,764)
Current tax charge for the period/year	-	-

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 month period ended 31 August 2012

7. INTANGIBLE FIXED ASSETS

	Goodwill £	Licences £	Other intangibles £	Total £
Cost				
At 1 April 2011	2,311,810	14,353,014	361,383	17,026,207
Additions	-	-	145,541	145,541
Disposals	(424,680)	-	(120,605)	(545,285)
At 31 August 2012	<u>1,887,130</u>	<u>14,353,014</u>	<u>386,319</u>	<u>16,626,463</u>
Amortisation				
At 1 April 2011	419,463	-	100,768	520,231
Charge for the period	115,590	717,650	71,374	904,614
Disposals	(3,539)	-	-	(3,539)
At 31 August 2012	<u>531,514</u>	<u>717,650</u>	<u>172,142</u>	<u>1,421,306</u>
Net book value				
At 31 August 2012	<u>1,355,616</u>	<u>13,635,364</u>	<u>214,177</u>	<u>15,205,157</u>
At 31 March 2011	<u>1,892,347</u>	<u>14,353,014</u>	<u>260,615</u>	<u>16,505,976</u>

8. TANGIBLE FIXED ASSETS

	Freehold land £	Leasehold improve- ments £	Fixtures and fittings £	Motor vehicles £	IT equipment and software £	Total £
Cost						
At 1 April 2011	208,172	2,006,940	1,975,133	-	533,843	4,724,088
Additions	-	117,461	617,386	3,528	77,983	816,358
Disposals	-	(31,835)	(74,375)	-	-	(106,210)
At 31 August 2012	<u>208,172</u>	<u>2,092,566</u>	<u>2,518,144</u>	<u>3,528</u>	<u>611,826</u>	<u>5,434,236</u>
Depreciation						
At 1 April 2011	-	191,859	629,285	-	442,431	1,263,575
Charge for the period	-	133,743	287,962	515	68,790	491,010
Disposals	-	-	(19,355)	-	-	(19,355)
At 31 August 2012	<u>-</u>	<u>325,602</u>	<u>897,892</u>	<u>515</u>	<u>511,221</u>	<u>1,735,230</u>
Net book value						
At 31 August 2012	<u>208,172</u>	<u>1,766,964</u>	<u>1,620,252</u>	<u>3,013</u>	<u>100,605</u>	<u>3,699,006</u>
At 31 March 2011	<u>208,172</u>	<u>1,815,081</u>	<u>1,345,848</u>	<u>-</u>	<u>91,412</u>	<u>3,460,513</u>

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 month period ended 31 August 2012

9 INVESTMENTS

Investments in subsidiary companies

	31 August 2012	31 March 2011
At the beginning of the period/year	1,654,116	304,116
Acquisitions in period/year	-	1,350,000
At the end of the period/year	<u>1,654,116</u>	<u>1,654,116</u>

The company owns 100% of the issued share capital of the following subsidiary undertakings, all of which were incorporated in England and Wales

	Class of share	Nature of business
Clearup Limited	Ordinary	Dormant
P & L Worsley Limited	Ordinary	Dormant
Armside Chemist Limited	Ordinary	Dormant
Harvey & Richardson Holdings Limited	Ordinary	Dormant
*Harvey & Richardson Limited	Ordinary	Dormant
Cambridgeshire Co Limited	Ordinary	Dormant
Assan Pharmacy (South West) Limited (formerly Assura Pharmacy (South West) Limited)	Ordinary	Retail dispensing chemist
**Douglas Skeeles Limited	Ordinary	Dormant
**Skeeles Pharmacy Limited	Ordinary	Dormant

* owned indirectly through Harvey & Richardson Holdings Limited

** owned indirectly through Assan Pharmacy (South West) Limited

	Aggregate share capital and reserves £	Profit after tax £
Clearup Limited	1,000	-
P&L Worsley Limited	100	-
Armside Chemists Limited	25,000	-
Harvey & Richardson Holdings Limited	(403,483)	-
Cambridgeshire Co Limited	1	-
Assan Pharmacy (South West) Limited (formerly Assura Pharmacy South West Limited)	<u>1,354,728</u>	<u>347,717</u>

10 STOCKS

	31 August 2012 £	31 March 2011 £
Finished goods and goods for resale	<u>1,838,434</u>	<u>1,875,312</u>

There is no material difference between the balance sheet value of stocks and their replacement costs

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued) **17 month period ended 31 August 2012**

11 DEBTORS

		(Restated – note 1)
	31 August 2012	31 March 2011
	£	£
Trade debtors	6,565,634	3,386,818
Amounts owed by group undertakings	9,170,426	6,474,877
Other debtors	38,122	454,334
VAT recoverable	419,682	536,983
Prepayments and accrued income	824,956	505,563
Deferred tax (note 13)	462,580	1,895,700
	<u>17,481,400</u>	<u>13,254,275</u>

All amounts are due within one year

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 August 2012	31 March 2011
	£	£
Invoice discounting creditor	678,838	-
Trade creditors	5,223,468	5,698,386
Amounts owed to group undertakings	19,726,528	20,729,567
Other taxes and social security	92,778	113,512
Other creditors	5,051	43,763
Accruals	707,320	1,187,736
	<u>26,433,983</u>	<u>27,772,964</u>

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued) 17 month period ended 31 August 2012

13. DEFERRED TAX ASSET

	2012 £
As at 1 April 2011 (restated – note 1)	1,895,700
Charge to profit and loss account during the period	(1,433,120)
As at 31 August 2012	<u>462,580</u>

Deferred taxation is provided as follows

	(Restated – note 1)
	31 August 2012
	£
Tax losses carried forward	<u>462,580</u>
	<u>1,895,700</u>

14. OTHER PROVISION

	Onerous lease provision 2012 £
At 1 April 2011	204,735
Utilised during the period	(204,735)
At 31 August 2012	<u>-</u>

15 OPERATING LEASE COMMITMENTS

The company had annual commitments under non-cancellable operating leases as set out below

	Motor vehicles 2012 £	Land and buildings 2012 £	Motor vehicles 2011 £	Land and buildings 2011 £
Not later than one year	-	833	7,547	-
After one year but not more than five years	47,892	25,001	98,945	35,001
After five years	-	802,734	-	802,734
	<u>47,892</u>	<u>828,568</u>	<u>106,492</u>	<u>837,735</u>

16 CONTINGENT LIABILITIES

The company has contingent liabilities of £43,083,338 (2011 - £nil) This relates to a cross guarantee on bank loans with the parent company and related parties There is an intercreditor deed in place in respect of a £46 million senior term facility agreement between Assan Holdings Limited and its subsidiaries, which includes this company

The utilisation by this company amounts to £nil (2011 - £nil)

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 month period ended 31 August 2012

17 SHARE CAPITAL

	2012 £	2011 £
Allotted, called-up and fully paid Ordinary shares of £1 each	<u>17,000,000</u>	<u>17,000,000</u>

18 PROFIT AND LOSS ACCOUNT

	2012 £
At 1 April 2011 (restated – note 1)	(5,411,047)
Profit for the financial period	<u>1,920,323</u>
At 31 August 2012	<u>(3,490,724)</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	(Restated – note 1) 2011 £
Profit for the financial period/year	1,920,323	1,441,668
Cost of employee based share incentives	-	(104,653)
Net addition to shareholders' funds	<u>1,920,323</u>	<u>1,337,015</u>
Opening shareholders' funds	<u>11,588,953</u>	<u>10,251,938</u>
Closing shareholders' funds	<u>13,509,276</u>	<u>11,588,953</u>

20. CAPITAL COMMITMENTS

At the balance sheet date the company had contracted but not provided for site redevelopment costs amounting to £nil (2011 - £276,000)

ASSAN PHARMACY LIMITED (FORMERLY ASSURA PHARMACY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 month period ended 31 August 2012

21. RELATED PARTY TRANSACTIONS

The following companies are under the common control of A Patel and Y Patel

Asan Holdings Limited
Assan Pharmacy (South West) Limited
Cityfocus Limited
Crowpoint Limited
Gorgemead Limited
Lynstock Properties Limited
Marsh (Bolton) Limited
Maxearn Limited
Makan Investments Limited
Medihealth Northern Limited
Pathvalley Limited
Prinwest Limited
Quadrant Pharmaceuticals Limited
Rocket Properties Limited
Swingward Ltd
Walkboost Limited

During the period the company purchased goods in the ordinary course of business from companies under common control to the value of £226,280 (2011 - £nil) During the period goods were sold to companies under common control to the value of £220,371 (2011 - £nil)

Included within trade debtors are amounts owed by companies under common control totalling £568,104 (2011 - £nil)

Included within prepayments are amounts owed by companies under common control totalling £818,497 (2011 - £nil)

Included within trade creditors are amounts owed to companies under common control totalling £818,497 (2011 - £nil)

The company has taken advantage of the exemption offered by FRS 8 to companies, 100% of the voting rights of which are controlled within a larger group, with regard to the disclosure of the transactions within other group companies

22. ULTIMATE PARENT COMPANY

The ultimate parent company is Asan Holdings Limited, a company registered in Jersey Asan Holdings Limited is also the parent company of the largest and smallest group of undertakings for which group accounts are made up Copies of the financial statements of the parent company are available from Lynstock House, Lynstock Way Lostock, Bolton, BL6 4SA

23. ULTIMATE CONTROLLING PARTY

In the opinion of the directors the company was under the control of Anwer Patel and Yakub Patel during the current period