

COMPANY REGISTRATION NUMBER 6548358

S&J (HEALTHCARE) LIMITED
FINANCIAL STATEMENTS
31 OCTOBER 2011

SATURDAY



A21 "A1B7ZXUI" #204
16/06/2012
COMPANIES HOUSE

WRIGLEY PARTINGTON
Chartered Accountants & Statutory Auditor
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

S&J (HEALTHCARE) LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

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S&J (HEALTHCARE) LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr S A Smith Mr G H Jenkins
Company secretary	Mrs J Smith
Registered office	Sterling House Middleton Road Chadderton Oldham OL9 9LY
Auditor	Wrigley Partington Chartered Accountants & Statutory Auditor Sterling House 501 Middleton Road Chadderton Oldham OL9 9LY

S&J (HEALTHCARE) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 OCTOBER 2011

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 October 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was as a holding company

The directors are satisfied with the level of business for the year, the results for the year and the financial position at the end of the year. Gross profit margins were in line with previous years. Debtor and Creditor days were well managed with figures similar to the previous year. As a result of the net profit before tax of £192,582 the liquidity position of the company has continued to strengthen resulting in a current ratio of 1.16 (2010: 1.09)

FUTURE DEVELOPMENTS

The directors expect that the present level of activity will be sustained for the foreseeable future

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £123,918. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors consider the disclosure of these policies will not be materially significant when assessing the assets, liabilities, financial position and profit and loss of the company.

DIRECTORS

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

Mr S A Smith
Mr G H Jenkins

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 the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

S&J (HEALTHCARE) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 OCTOBER 2011

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

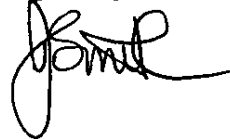
- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Wrigley Partington are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office
Sterling House
Middleton Road
Chadderton
Oldham
OL9 9LY

Signed by order of the directors



MRS J SMITH
Company Secretary

Approved by the directors on 24 May 2012

S&J (HEALTHCARE) LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
S&J (HEALTHCARE) LIMITED
YEAR ENDED 31 OCTOBER 2011

We have audited the group and parent company financial statements ("the financial statements") of S&J (Healthcare) Limited for the year ended 31 October 2011. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 October 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

S&J (HEALTHCARE) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF S&J (HEALTHCARE) LIMITED *(continued)*

YEAR ENDED 31 OCTOBER 2011

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



ANDREW P DIXON FCA (Senior
Statutory Auditor)
For and on behalf of
WRIGLEY PARTINGTON
Chartered Accountants
& Statutory Auditor

Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

24 May 2012

S&J (HEALTHCARE) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 OCTOBER 2011

	Note	2011 £	2010 £
GROUP TURNOVER	2	29,402,607	21,498,657
Cost of sales		<u>26,892,203</u>	<u>19,394,538</u>
GROSS PROFIT		2,510,404	2,104,119
Distribution costs		74,403	61,866
Administrative expenses		2,273,192	1,502,208
Other operating income	3	<u>(99,979)</u>	<u>—</u>
OPERATING PROFIT	4	262,788	540,045
Interest payable and similar charges	7	<u>70,206</u>	<u>29,572</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		192,582	510,473
Tax on profit on ordinary activities	8	<u>68,664</u>	<u>41,361</u>
PROFIT FOR THE FINANCIAL YEAR	9	<u>123,918</u>	<u>469,112</u>

All of the activities of the group are classed as continuing

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

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account

The notes on pages 10 to 23 form part of these financial statements

S&J (HEALTHCARE) LIMITED

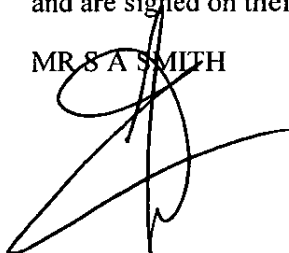
GROUP BALANCE SHEET

31 OCTOBER 2011

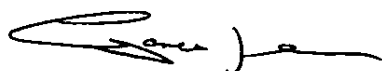
	Note	2011 £	2010 £
FIXED ASSETS			
Intangible assets	10	59,322	118,643
Tangible assets	11	223,024	169,298
Investments	12	135,000	125,000
		<u>417,346</u>	<u>412,941</u>
CURRENT ASSETS			
Stocks	13	361,100	2,288,250
Debtors	14	4,085,272	2,917,185
Cash at bank and in hand		52,784	807,050
		<u>4,499,156</u>	<u>6,012,485</u>
CREDITORS: Amounts falling due within one year	15	<u>3,863,331</u>	<u>5,510,468</u>
NET CURRENT ASSETS		<u>635,825</u>	<u>502,017</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,053,171</u>	<u>914,958</u>
CREDITORS: Amounts falling due after more than one year	16	41,681	28,214
PROVISIONS FOR LIABILITIES			
Deferred taxation	18	<u>22,869</u>	<u>22,041</u>
		<u>988,621</u>	<u>864,703</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	100	100
Profit and loss account	23	988,521	864,603
SHAREHOLDERS' FUNDS	24	<u>988,621</u>	<u>864,703</u>

These financial statements were approved by the directors and authorised for issue on 24 May 2012, and are signed on their behalf by

MR S A SMITH



MR G H JENKINS



The notes on pages 10 to 23 form part of these financial statements

S&J (HEALTHCARE) LIMITED

BALANCE SHEET

31 OCTOBER 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Investments	12	<u>135,005</u>	<u>125,005</u>
CURRENT ASSETS			
Debtors	14	522,933	261,372
CREDITORS: Amounts falling due within one year	15	<u>657,838</u>	<u>386,277</u>
NET CURRENT LIABILITIES		<u>(134,905)</u>	<u>(124,905)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	<u>100</u>	<u>100</u>
SHAREHOLDERS' FUNDS		<u>100</u>	<u>100</u>

These financial statements were approved by the directors and authorised for issue on 24 May 2012, and are signed on their behalf by

MR S A SMITH

MR G H JENKINS

Company Registration Number 6548358



The notes on pages 10 to 23 form part of these financial statements

S&J (HEALTHCARE) LIMITED
GROUP CASH FLOW CASH FLOW STATEMENT
YEAR ENDED 31 OCTOBER 2011

	Note	2011 £	2010 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	25	(1,203,652)	130,519
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	25	(71,058)	(30,112)
TAXATION	25	(134,743)	(30,111)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	25	(124,574)	(214,849)
CASH OUTFLOW BEFORE FINANCING		(1,534,027)	(144,553)
FINANCING	25	17,014	23,661
DECREASE IN CASH	25	<u>(1,517,013)</u>	<u>(120,892)</u>

The notes on pages 10 to 23 form part of these financial statements

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 20% straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	- 10% straight line
Plant & Machinery	- 15% straight line
Fixtures & Fittings	- 15% straight line
Motor Vehicles	- 25% reducing balance
Equipment	- 20% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

1. ACCOUNTING POLICIES *(continued)*

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

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

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, 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 the replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers 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 rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

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

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group
An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	10,782,918	3,363,759
Overseas	18,619,689	18,134,898
	<u>29,402,607</u>	<u>21,498,657</u>

3. OTHER OPERATING INCOME

	2011 £	2010 £
Rent receivable	26,566	—
Management charges receivable	73,413	—
	<u>99,979</u>	<u>—</u>

4. OPERATING PROFIT

Operating profit is stated after charging

	2011 £	2010 £
Amortisation of intangible assets	59,321	59,321
Depreciation of owned fixed assets	38,372	27,639
Depreciation of assets held under hire purchase agreements	14,241	3,020
Loss on disposal of fixed assets	8,235	—
Auditor's remuneration		
- as auditor	33,000	28,500
- for other services	8,600	5,490
Operating lease costs		
- Other	<u>93,849</u>	<u>28,582</u>

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

5. PARTICULARS OF EMPLOYEES

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

	2011	2010
	No	No
Number of administrative staff	23	13
Number of management staff	5	3
	<u>28</u>	<u>16</u>

The aggregate payroll costs of the above were

	2011	2010
	£	£
Wages and salaries	1,244,595	783,657
Social security costs	145,563	89,312
Other pension costs	57,890	—
	<u>1,448,048</u>	<u>872,969</u>

6 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2011	2010
	£	£
Remuneration receivable	<u>420,621</u>	<u>301,065</u>

Remuneration of highest paid director:

	2011	2010
	£	£
Total remuneration (excluding pension contributions)	<u>251,716</u>	<u>174,851</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
	£	£
Interest payable on bank borrowing	28,964	7,983
Finance charges	5,191	1,206
Other similar charges payable	36,051	20,383
	<u>70,206</u>	<u>29,572</u>

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 24.73% (2010 - 21%)	67,836	30,354
Total current tax	67,836	30,354
Deferred tax		
Origination and reversal of timing differences	828	11,007
Tax on profit on ordinary activities	68,664	41,361

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 24.73% (2010 - 21%)

	2011 £	2010 £
Profit on ordinary activities before taxation	192,582	510,473
Profit on ordinary activities by rate of tax	59,510	107,199
Capital allowances for period in excess of depreciation	1,239	2,312
Expenses not deductible for tax purposes	20,147	15,343
Loss relief from investment	(13,060)	(94,500)
Total current tax (note 8(a))	67,836	30,354

9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £Nil (2010 - £Nil)

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

10. INTANGIBLE FIXED ASSETS

Group	Goodwill
	£
COST	
At 1 November 2010 and 31 October 2011	<u>296,607</u>
AMORTISATION	
At 1 November 2010	177,964
Charge for the year	<u>59,321</u>
At 31 October 2011	<u>237,285</u>
NET BOOK VALUE	
At 31 October 2011	<u>59,322</u>
At 31 October 2010	<u>118,643</u>

11. TANGIBLE FIXED ASSETS

Group	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Nov 2010	47,688	18,726	51,435	43,757	73,230	234,836
Additions	36,921	2,995	25,379	35,590	13,689	114,574
Disposals	(13,357)	—	—	—	—	(13,357)
At 31 Oct 2011	<u>71,252</u>	<u>21,721</u>	<u>76,814</u>	<u>79,347</u>	<u>86,919</u>	<u>336,053</u>
DEPRECIATION						
At 1 Nov 2010	12,117	3,747	10,792	10,720	28,162	65,538
Charge for the year	7,067	3,221	11,508	14,241	16,576	52,613
On disposals	(5,122)	—	—	—	—	(5,122)
At 31 Oct 2011	<u>14,062</u>	<u>6,968</u>	<u>22,300</u>	<u>24,961</u>	<u>44,738</u>	<u>113,029</u>
NET BOOK VALUE						
At 31 Oct 2011	<u>57,190</u>	<u>14,753</u>	<u>54,514</u>	<u>54,386</u>	<u>42,181</u>	<u>223,024</u>
At 31 Oct 2010	<u>35,571</u>	<u>14,979</u>	<u>40,643</u>	<u>33,037</u>	<u>45,068</u>	<u>169,298</u>

Hire purchase agreements

Included within the net book value of £223,024 is £54,386 (2010 - £33,037) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £14,241 (2010 - £3,020).

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

12. INVESTMENTS

Group	Unlisted investments
	£
COST	
At 1 November 2010	125,000
Additions	10,000
At 31 October 2011	<u>135,000</u>
NET BOOK VALUE	
At 31 October 2011	<u>135,000</u>
At 31 October 2010	<u>125,000</u>

The unlisted investment comprises a share of the Orion Real Estate Partners (GP) The partnership is registered in England and Wales

Company	Group companies	Unlisted investments	Total
	£	£	£
COST			
At 1 November 2010	5	125,000	125,005
Additions	-	10,000	10,000
At 31 October 2011	<u>5</u>	<u>135,000</u>	<u>135,005</u>
NET BOOK VALUE			
At 31 October 2011	<u>5</u>	<u>135,000</u>	<u>135,005</u>
At 31 October 2010	<u>5</u>	<u>125,000</u>	<u>125,005</u>

The company owns 100% of the issued share capital of the companies listed below, which are registered in England and Wales

Aggregate capital and reserves

Dialchemist Limited	262,846	87,382
Lancashire Pharma Limited	22,537	300,755
Futurephase Limited	1	1

Profit and (loss) for the year

Dialchemist Limited (pharmacy services)	175,464	55,842
Lancashire Pharma Limited (wholesale pharmaceuticals)	(278,398)	204,033
Futurephase Limited (dormant)	-	-

The unlisted investment comprises a share of the Orion Real Estate Partners (GP) The partnership is registered in England and Wales

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

13. STOCKS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Finished goods	<u>361,100</u>	<u>2,288,250</u>	<u>—</u>	<u>—</u>

14. DEBTORS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	2,927,705	2,308,831	—	—
Amounts owed by group undertakings	—	—	223,442	233,849
VAT recoverable	573,351	272,772	—	—
Other debtors	194,890	132,262	—	—
Directors current accounts	246,611	27,523	246,611	27,523
Directors current accounts	52,880	—	52,880	—
Prepayments and accrued income	89,835	175,797	—	—
	<u>4,085,272</u>	<u>2,917,185</u>	<u>522,933</u>	<u>261,372</u>

15. CREDITORS: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Overdrafts	1,468,713	705,966	—	—
Trade creditors	2,051,230	1,798,336	—	—
Amounts owed to group undertakings	—	—	657,838	380,217
Hire purchase agreements	10,308	6,761	—	—
Other creditors including taxation and social security	—	—	—	—
Corporation tax	78,237	145,144	—	—
Other taxation and social security	37,840	26,484	—	—
Other creditors	—	6,060	—	6,060
Accruals and deferred income	217,003	2,821,717	—	—
	<u>3,863,331</u>	<u>5,510,468</u>	<u>657,838</u>	<u>386,277</u>

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

15. CREDITORS: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Overdrafts	1,468,713	705,967	—	—
Hire purchase agreements	10,307	6,761	—	—
	<u>1,479,020</u>	<u>712,728</u>	<u>—</u>	<u>—</u>

The bank overdraft is secured by a debenture over the assets of the company

There is a omnibus guarantee and set off agreement between S&J (Healthcare) Limited, Autumn Healthcare Limited, Dialachemist Limited, Futurephase Limited, Ellco 222 Limited and Lancashire Pharma Limited

The hire purchase liabilities are secured on the assets concerned

16. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Hire purchase agreements	<u>41,681</u>	<u>28,214</u>	<u>—</u>	<u>—</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Hire purchase agreements	<u>41,681</u>	<u>28,215</u>	<u>—</u>	<u>—</u>

The hire purchase liabilities are secured on the assets concerned

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YEAR ENDED 31 OCTOBER 2011

17. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts payable within 1 year	16,153	9,503	-	-
Amounts payable between 1 and 2 years	30,536	9,503	-	-
Amounts payable between 3 and 5 years	16,706	26,359	-	-
	63,395	45,365	-	-
Less interest and finance charges relating to future periods	(11,406)	(10,390)	-	-
	51,989	34,975	-	-

18. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Provision brought forward	22,041	11,034	-	-
Increase in provision	828	11,007	-	-
Provision carried forward	22,869	22,041	-	-

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

Group	2011		2010	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	22,869	-	22,041	-

S&J (HEALTHCARE) LIMITED
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19. COMMITMENTS UNDER OPERATING LEASES

At 31 October 2011 the group had annual commitments under non-cancellable operating leases as set out below

Group	2011		2010	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within 1 year	102,376	-	12,510	-
Within 2 to 5 years	-	9,406	44,933	6,068
	<u>102,376</u>	<u>9,406</u>	<u>57,443</u>	<u>6,068</u>

20. TRANSACTIONS WITH THE DIRECTORS

Included in debtors is £299,491 (2010-£27,523) due from the directors Further details are

	2011		2010	
	£	£	£	£
Mr S A Smith		246,611		27,523
Mr G H Jenkins		52,880		-
		<u>299,491</u>		<u>27,523</u>
		Maximum balance		
			£	
Mr S A Smith		246,611		
Mr G H Jenkins		52,880		

The directors loan accounts are scheduled to be repaid by 31st May 2012, by way of an injection of funds into the company

21. RELATED PARTY TRANSACTIONS

The company has no overall controlling party

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

22. SHARE CAPITAL

Authorised share capital:

	2011	2010
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

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22. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

23. RESERVES

Group	Profit and loss account £
Balance brought forward	864,603
Profit for the year	<u>123,918</u>
Balance carried forward	<u>988,521</u>
Company	Profit and loss account £
Balance carried forward	<u>—</u>

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	123,918	469,112
Opening shareholders' funds	<u>864,703</u>	<u>395,591</u>
Closing shareholders' funds	<u>988,621</u>	<u>864,703</u>

25. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	262,788	540,045
Interest payable	852	540
Amortisation	59,321	59,321
Depreciation	52,613	30,659
Loss on disposal of fixed assets	8,235	—
Decrease/(increase) in stocks	1,927,150	(2,182,905)
Increase in debtors	(1,168,087)	(1,237,400)
(Decrease)/increase in creditors	<u>(2,346,524)</u>	<u>2,920,259</u>
Net cash (outflow)/inflow from operating activities	<u>(1,203,652)</u>	<u>130,519</u>

S&J (HEALTHCARE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2011

25. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2011 £	2010 £
Interest paid	(65,867)	(28,906)
Interest element of hire purchase	<u>(5,191)</u>	<u>(1,206)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(71,058)</u>	<u>(30,112)</u>

TAXATION

	2011 £	2010 £
Taxation	<u>(134,743)</u>	<u>(30,111)</u>

CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2011 £	2010 £
Payments to acquire tangible fixed assets	(114,574)	(89,849)
Acquisition of fixed asset investments	<u>(10,000)</u>	<u>(125,000)</u>
Net cash outflow for capital expenditure and financial investment	<u>(124,574)</u>	<u>(214,849)</u>

FINANCING

	2011 £	2010 £
Capital element of hire purchase	<u>17,014</u>	<u>23,661</u>
Net cash inflow from financing	<u>17,014</u>	<u>23,661</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2011 £	2010 £
Decrease in cash in the period	(1,517,013)	(120,892)
Cash outflow in respect of hire purchase	<u>(17,014)</u>	<u>(23,661)</u>
	<u>(1,534,027)</u>	<u>(144,553)</u>
Change in net debt	<u>(1,534,027)</u>	<u>(144,553)</u>
Net funds at 1 November 2010	<u>66,109</u>	<u>210,662</u>
Net debt at 31 October 2011	<u>(1,467,918)</u>	<u>66,109</u>

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YEAR ENDED 31 OCTOBER 2011

25. NOTES TO THE CASH FLOW STATEMENT *(continued)*

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Nov 2010 £	Cash flows £	At 31 Oct 2011 £
Net cash			
Cash in hand and at bank	807,050	(754,266)	52,784
Overdrafts	<u>(705,966)</u>	<u>(762,747)</u>	<u>(1,468,713)</u>
	<u>101,084</u>	<u>(1,517,013)</u>	<u>(1,415,929)</u>
Debt			
Hire purchase agreements	<u>(34,975)</u>	<u>(17,014)</u>	<u>(51,989)</u>
Net debt	<u>66,109</u>	<u>(1,534,027)</u>	<u>(1,467,918)</u>