

C & S Pharmacy Limited
Filleted Financial Statements
31st January 2017



C & S Pharmacy Limited
Financial Statements
Year ended 31st January 2017

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C & S Pharmacy Limited

Statement of Financial Position

31st January 2017

	Note	2017		2016	
		£	£	£	£
Fixed assets					
Intangible assets	6		858,958		925,458
Tangible assets	7		56,284		31,576
			<u>915,242</u>		<u>957,034</u>
Current assets					
Stocks	8	69,250		67,600	
Debtors	9	130,069		148,793	
Cash at bank and in hand		182,195		121,828	
		<u>381,514</u>		<u>338,221</u>	
Creditors: amounts falling due within one year	10	189,739		421,453	
Net current assets/(liabilities)			<u>191,775</u>		<u>(83,232)</u>
Total assets less current liabilities			<u>1,107,017</u>		<u>873,802</u>
Provisions					
Taxation including deferred tax			8,300		2,600
Net assets			<u>1,098,717</u>		<u>871,202</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss account			1,098,617		871,102
Members funds			<u>1,098,717</u>		<u>871,202</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31st January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 14th August 2017, and are signed on behalf of the board by:

C. PATEL
Director

Company registration number: 7055667

The notes on pages 2 to 7 form part of these financial statements.

C & S Pharmacy Limited

Notes to the Financial Statements

Year ended 31st January 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 47 Garstang Road, Preston, Lancashire, PR1 1LA.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st February 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 14.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements and estimations that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- The estimated useful life of the intangible and tangible fixed assets and the amortisation and depreciation rates used thereon.
- The net realisable value of slow moving stock.
- The recoverability of the debtors.

C & S Pharmacy Limited

Notes to the Financial Statements (continued)

Year ended 31st January 2017

3. Accounting policies (continued)

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and value added tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Goodwill

Goodwill is capitalised as an intangible fixed asset and amortised over its estimated useful life. Provision is made for any impairment.

Amortisation

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

Goodwill	-	5% on cost
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

C & S Pharmacy Limited

Notes to the Financial Statements (continued)

Year ended 31st January 2017

3. Accounting policies (continued)

Tangible assets (continued)

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Expenditure on leasehold property	-	10% on cost
Fixtures and equipment	-	15% to 33% on cost
Motor vehicle	-	25% on written down value

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to 12 (2016: 12).

5. Profit before taxation

Profit before taxation is stated after charging:

	2017	2016
	£	£
Amortisation of intangible assets	66,500	66,500
Depreciation of tangible assets	15,730	11,228

C & S Pharmacy Limited

Notes to the Financial Statements (continued)

Year ended 31st January 2017

6. Intangible assets

	Goodwill £
Cost	
At 1 February 2016 and 31 January 2017	<u>1,330,000</u>
Amortisation	
At 1st February 2016	404,542
Charge for the year	66,500
At 31st January 2017	<u>471,042</u>
Carrying amount	
At 31st January 2017	<u>858,958</u>
At 31st January 2016	<u>925,458</u>

7. Tangible assets

	Expenditure on leasehold property £	Fixtures and equipment £	Motor vehicles £	Total £
Cost				
At 1st February 2016	37,475	39,583	–	77,058
Additions	–	2,783	37,654	40,437
Disposals	–	(1,442)	–	(1,442)
At 31st January 2017	<u>37,475</u>	<u>40,924</u>	<u>37,654</u>	<u>116,053</u>
Depreciation				
At 1st February 2016	19,093	26,389	–	45,482
Charge for the year	3,748	7,275	4,707	15,730
Disposals	–	(1,443)	–	(1,443)
At 31st January 2017	<u>22,841</u>	<u>32,221</u>	<u>4,707</u>	<u>59,769</u>
Carrying amount				
At 31st January 2017	<u>14,634</u>	<u>8,703</u>	<u>32,947</u>	<u>56,284</u>
At 31st January 2016	<u>18,382</u>	<u>13,194</u>	<u>–</u>	<u>31,576</u>

8. Stocks

	2017 £	2016 £
Goods for resale	<u>69,250</u>	<u>67,600</u>

C & S Pharmacy Limited

Notes to the Financial Statements (continued)

Year ended 31st January 2017

9. Debtors

	2017 £	2016 £
Trade debtors	113,620	130,760
Other debtors	16,449	18,033
	<u>130,069</u>	<u>148,793</u>

10. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	77,587	90,862
Corporation tax	88,800	85,000
Social security and other taxes	788	378
Other creditors	22,564	245,213
	<u>189,739</u>	<u>421,453</u>

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	<u>30,000</u>	<u>24,000</u>

12. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017			
	Balance brought forward £	Advances/ (credits) to the directors £	Amounts repaid £	Balance outstanding £
Chandrakant Patel	(65,279)	(22,400)	78,727	(8,952)
Sanjiv Patel	(65,279)	(22,400)	78,727	(8,952)
Kalpana Patel	(55,000)	(17,600)	72,600	-
Niketa Patel	(55,000)	(17,600)	72,600	-
	<u>(240,558)</u>	<u>(80,000)</u>	<u>302,654</u>	<u>(17,904)</u>

	2016			
	Balance brought forward £	Advances/ (credits) to the directors £	Amounts repaid £	Balance outstanding £
Chandrakant Patel	(21,176)	(140,000)	95,897	(65,279)
Sanjiv Patel	(21,177)	(140,000)	95,898	(65,279)
Kalpana Patel	-	(110,000)	55,000	(55,000)
Niketa Patel	-	(110,000)	55,000	(55,000)
	<u>(42,353)</u>	<u>(500,000)</u>	<u>301,795</u>	<u>(240,558)</u>

C & S Pharmacy Limited

Notes to the Financial Statements (continued)

Year ended 31st January 2017

13. Related party transactions

The company was under the control of Mr C. Patel and Mr S. Patel throughout the current year and previous period.

Mr C. Patel and Mr S. Patel are the managing directors and majority shareholders.

The company paid £28,500 during the year for rental of premises owned by Mr C. Patel, Mr S. Patel, Mrs K. Patel and Mrs N. Patel.

14. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st February 2015.

No transitional adjustments were required in equity or profit or loss for the year.