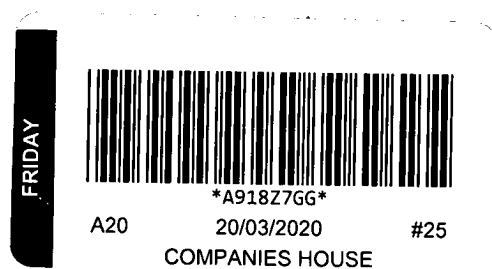


LLP registration number: SO305116



WBA 1 Scottish LLP
Financial statements
for the year ended 31 August 2019

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Statement of Members' responsibilities

for the year ended 31 August 2019

The Members are responsible for preparing the Limited Liability Partnership financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the Members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. The financial statements are required by law to give a true and fair view of the state of affairs of the Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership for that period. In preparing these financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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.

The Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WBA 1 Scottish LLP

Balance sheet

As at 31 August 2019

	Notes	2019 \$	2018 \$
Assets			
Current assets			
Trade and other receivables	6	154	154
		154	154
Net assets attributable to Members		154	154
Members' other interests			
Members' capital accounts classified as equity	7	157	157
Other interests – other reserves classified as equity	8	(3)	(3)
		154	154
Total Members' interests		154	154

The accompanying notes to the financial statements are an integral part of the Limited Liability Partnership's financial statements.

For the year to 31 August 2019, the Limited Liability Partnership was entitled to exemption from audit under section 480 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to dormant Limited Liability Partnerships.

The Members have not required the Limited Liability Partnership to obtain an audit of its financial statements for the year in question in accordance with section 476.

The Members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements of WBA 1 Scottish LLP were approved by the Members and authorised for issue on 25 November 2019. They were signed on its behalf by:



Preash Gola
For and on behalf of the Members

Registered in Scotland No. SO305116

WBA 1 Scottish LLP

Statement of changes in Members' interests

for the year ended 31 August 2019

	Members' capital accounts classified as equity \$	Other reserves \$	Total Members' other interests \$	Loans and other debts due to Members \$	Total Members' interests \$
At 1 September 2017	157	(3)	154	-	154
Members' remuneration charged as an expense	-	-	-	-	-
Result for the financial year available for discretionary division among Members	-	-	-	-	-
At 31 August 2018	157	(3)	154	-	154
Members' remuneration charged as an expense	-	-	-	-	-
Result for the financial year available for discretionary division among Members	-	-	-	-	-
At 31 August 2019	157	(3)	154	-	154

The accompanying notes to the financial statements are an integral part of the Limited Liability Partnership's financial statements.

WBA 1 Scottish LLP

Notes to the financial statements

for the year ended 31 August 2019

1. General information

WBA 1 Scottish LLP (the "Limited Liability Partnership") is a Limited Liability Partnership and is registered in Scotland.

The address of the registered office is Boots North Office, 3rd Floor, 79-81 High Street, Falkirk FK1 1ES, Scotland.

2. Significant accounting policies

Basis of accounting

These financial statements are presented in US dollars because that is the currency of the primary economic environment in which the Limited Liability Partnership operates.

These financial statements are individual accounts. The Limited Liability Partnership is exempt from the preparation of consolidated financial statements under s401 of the Companies Act, because it is included in the group accounts of Walgreens Boots Alliance, Inc. The group accounts of Walgreens Boots Alliance, Inc. are available from the Walgreens Boots Alliance website at www.walgreensbootsalliance.com. The principal office of the parent company preparing consolidated accounts is 108 Wilmot Road, Deerfield, Illinois, 60015, United States of America.

The financial statements have been prepared in accordance with applicable accounting standards, including the Statement of Recommended Practice (SORP) 2010 "Accounting by Limited Liability Partnerships" issued in March 2011, under the historical cost convention, and in accordance with Financial Reporting Standard 101 ("FRS 101") issued by the Financial Reporting Council. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The Limited Liability Partnership has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- (b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*;
- (c) the requirement in paragraph 38 of IAS 1 '*Presentation of Financial Statements*' to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
- (d) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 *Presentation of Financial Statements*;
- (e) the requirements of IAS 7 *Statement of Cash Flows*;
- (f) The requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.
- (g) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*; and
- (h) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

Where relevant, equivalent disclosures have been given in the group accounts of Walgreens Boots Alliance, Inc.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Limited Liability Partnership takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

The principal accounting policies adopted are set out below.

Taxation

The Limited Liability Partnership is regarded as transparent for UK tax purposes. Accordingly, no provision for taxation has been made in these financial statements.

Financial instruments

Financial assets and financial liabilities are recognised in the Limited Liability Partnership's balance sheet when the Limited Liability Partnership becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

WBA 1 Scottish LLP

Notes to the financial statements (continued)

for the year ended 31 August 2019

2. Significant accounting policies (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Members' capital

No interest is charged on the Members' capital.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Limited Liability Partnership's accounting policies, which are described in note 2, the Members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. Members' remuneration charged as an expense

The Members of the Limited Liability Partnership did not receive any remuneration from the Limited Liability Partnership during the current or preceding financial year.

The average number of Members of the Limited Liability Partnership during the year was two (2018: two).

Apart from the Members, there were no other employees of the Limited Liability Partnership during the year (2018: nil).

5. Result for the financial year available for discretionary division among Members

Members are entitled to a share of the profits and losses of the Limited Liability Partnership in accordance with section 8 of the Limited Liability Partnership Members' Agreement dated 30 December 2014. Clause 8.4 of the Limited Liability Partnership Members' Agreement also states that, for the avoidance of doubt, notwithstanding that any loss shall be allocated to the Members, the Limited Liability Partnership shall bear its own losses and no Members shall be obliged to make any further Capital Contribution to the Limited Liability Partnership to cover such loss.

6. Trade and other receivables

	2019	2018
	\$	\$
Amounts owed by Group undertakings	154	154

WBA 1 Scottish LLP

Notes to the financial statements (continued)

for the year ended 31 August 2019

7. Members' capital accounts classified as equity

	2019	2018
	\$	\$
Members' capital accounts classified as equity	157	157

On 2 December 2014, Superior Luxco 1 S.à r.l. and Superior Luxco 2 S.à r.l., the Limited Liability Partnership's Members made capital contributions of £99 and £1 respectively to the Limited Liability Partnership.

8. Other interests – other reserves classified as equity

	2019	2018
	\$	\$
Other interests – other reserves classified as equity	(3)	(3)

9. Ultimate parent undertaking

At 31 August 2019, the Limited Liability Partnership had two Members: Superior Luxco 1 S.à r.l. and Superior Luxco 2 S.à r.l. Its ultimate parent company and controlling party was Walgreens Boots Alliance, Inc. Walgreens Boots Alliance, Inc. is also the parent undertaking of the largest and smallest group in which the Limited Liability Partnership is consolidated. The consolidated financial statements of this group are available from the Walgreens Boots Alliance website at www.walgreensbootsalliance.com.

Walgreens Boots Alliance, Inc. is incorporated in the United States of America, and its principal office address is 108 Wilmot Road, Deerfield, Illinois, 60015.