

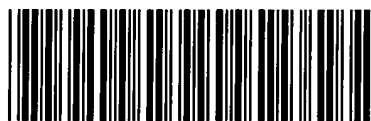
**Company Registration No. 03093792 (England and Wales)**

**Gill & Schofield Pharmaceutical Chemists Limited**

**Unaudited Financial Statements  
for the Year Ended 31 January 2017**

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# **Gill & Schofield Pharmaceutical Chemists Limited**

## **Company Information**

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<b>Directors</b>	Mr J A Schofield Mr S E Gill
<b>Secretary</b>	Mr J A Schofield
<b>Company number</b>	03093792
<b>Registered office</b>	Saville Chambers 4 Saville Street South Shields Tyne & Wear NE33 2PR
<b>Accountants</b>	Charlton & Co Saville Chambers 4 Saville Street South Shields Tyne & Wear NE33 2PR

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# **Gill & Schofield Pharmaceutical Chemists Limited**

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# Gill & Schofield Pharmaceutical Chemists Limited

## Balance Sheet as at 31 January 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Intangible assets		1,953,833		1,845,611	
Tangible assets	4	661,304		701,268	
<b>Current assets</b>					
Stocks		292,823		292,964	
Debtors	5	1,588,302		1,358,374	
Cash at bank and in hand		31,023		8,723	
		1,912,148		1,660,061	
<b>Creditors: amounts falling due within one year</b>	6	(2,087,301)		(1,595,474)	
<b>Net current (liabilities)/assets</b>		(175,153)		64,587	
<b>Total assets less current liabilities</b>		2,439,984		2,611,466	
<b>Creditors: amounts falling due after more than one year</b>	7	(2,046,537)		(2,214,627)	
<b>Provisions for liabilities</b>		(35,774)		(41,504)	
<b>Net assets</b>		357,673		355,335	
<b>Capital and reserves</b>					
Called up share capital	8	2		2	
Profit and loss reserves		357,671		355,333	
<b>Total equity</b>		357,673		355,335	

# **Gill & Schofield Pharmaceutical Chemists Limited**

## **Balance Sheet (continued) as at 31 January 2017**

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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

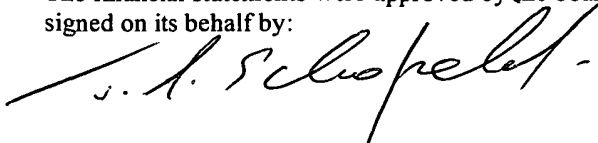
For the financial year ended 31 January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 29 November 2017 and are signed on its behalf by:



Mr J A Schofield  
**Director**

**Company Registration No. 03093792**

# Gill & Schofield Pharmaceutical Chemists Limited

## Notes to the Financial Statements for the year ended 31 January 2017

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### 1 Accounting policies

#### Company information

Gill & Schofield Pharmaceutical Chemists Limited is a private company limited by shares incorporated in England and Wales. The registered office is Saville Chambers, 4 Saville Street, South Shields, Tyne & Wear, NE33 2PR.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised at the point of sale.

#### 1.3 Intangible fixed assets - goodwill

Acquired goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is seven years. The useful economic life has been estimated by the directors based on similar businesses in the industry and taking into consideration future changes within the pharmacy industry.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	not depreciated
Land and buildings Leasehold	straight line over the life of the lease
Fixtures, fittings & equipment	15% reducing balance
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# Gill & Schofield Pharmaceutical Chemists Limited

## Notes to the Financial Statements (continued) for the year ended 31 January 2017

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### 1 Accounting policies

(continued)

#### 1.6 Stocks

Stocks are stated at the lower of historic cost and estimated selling price less costs to complete and sell. Historic cost is measured at the invoiced value of goods purchased.

#### 1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# Gill & Schofield Pharmaceutical Chemists Limited

## Notes to the Financial Statements (continued) for the year ended 31 January 2017

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### 1 Accounting policies

(continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.



# Gill & Schofield Pharmaceutical Chemists Limited

## Notes to the Financial Statements (continued) for the year ended 31 January 2017

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 79 (2016 - 77).

### 3 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 February 2016	2,492,446
Additions	500,000
	<hr/>
At 31 January 2017	2,992,446
	<hr/>
<b>Amortisation and impairment</b>	
At 1 February 2016	646,835
Amortisation charged for the year	391,778
	<hr/>
At 31 January 2017	1,038,613
	<hr/>
<b>Carrying amount</b>	
At 31 January 2017	1,953,833
	<hr/>
At 31 January 2016	1,845,611
	<hr/>

### 4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
<b>Cost</b>			
At 1 February 2016	597,266	365,519	962,785
Additions	-	21,170	21,170
	<hr/>	<hr/>	<hr/>
At 31 January 2017	597,266	386,689	983,955
	<hr/>	<hr/>	<hr/>
<b>Depreciation and impairment</b>			
At 1 February 2016	107,617	153,901	261,518
Depreciation charged in the year	15,175	45,958	61,133
	<hr/>	<hr/>	<hr/>
At 31 January 2017	122,792	199,859	322,651
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 31 January 2017	474,474	186,830	661,304
	<hr/>	<hr/>	<hr/>
At 31 January 2016	489,650	211,618	701,268
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# Gill & Schofield Pharmaceutical Chemists Limited

## Notes to the Financial Statements (continued) for the year ended 31 January 2017

### 5 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	1,354,260	1,139,850
Other debtors	234,042	218,524
	<u>1,588,302</u>	<u>1,358,374</u>

### 6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	152,504	418,003
Trade creditors	1,156,175	794,304
Corporation tax	52,483	10,988
Other taxation and social security	25,117	23,583
Other creditors	701,022	348,596
	<u>2,087,301</u>	<u>1,595,474</u>

### 7 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	<u>2,046,537</u>	<u>2,214,627</u>
Amounts included above which fall due after five years are as follows:		
Payable by instalments	<u>1,397,430</u>	<u>1,582,970</u>

Bank loans and overdrafts are secured by charges on the company's land and buildings, as well as personal guarantees by the directors totalling £504,500.

### 8 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary Shares of £1 each	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

# Gill & Schofield Pharmaceutical Chemists Limited

## Notes to the Financial Statements (continued) for the year ended 31 January 2017

### 9 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017 £	2016 £
Within one year	135,903	135,903
Between two and five years	543,614	543,614
In over five years	997,558	1,133,461
	<u>1,677,075</u>	<u>1,812,978</u>

### 10 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management charges paid	
	2017 £	2016 £
Other related parties	<u>116,000</u>	<u>176,000</u>

The following amounts were outstanding at the reporting end date:

	2017 £	2016 £
Amounts owed to related parties		
Other related parties	<u>608,345</u>	<u>307,688</u>

The following amounts were outstanding at the reporting end date:

	2016 Balance £
Amounts owed in previous period	
Other related parties	<u>6,230</u>

### 11 Directors' transactions

Dividends totalling £120,000 (2016 - £308,000) were paid in the year in respect of shares held by the company's directors.