

COMPANY REGISTRATION NUMBER 01346342

COOPERS CHEMIST MARSKE LIMITED
FINANCIAL STATEMENTS
31ST AUGUST 2013

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COOPERS CHEMIST MARSKE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

CONTENTS	PAGES
Officers and professional advisers	1
Directors' report	2 to 4
Independent auditor's report to the shareholders	5 to 6
Group profit and loss account	7
Group balance sheet	8
Company balance sheet	9
Group cash flow	10 to 12
Notes to the group financial statements	13 to 29

COOPERS CHEMIST MARSKE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr J Cooper
Mr D Cooper
Mrs S Cooper
Mr P McLaughlin
Mrs J Cooper
Mrs L Cooper
Mr P Brady

Company secretary

Mrs Sadie Cooper

Registered office

112 High Street
Marske
Redcar
TS11 7BA

Auditor

Tait Walker LLP
Chartered Accountants
& Statutory Auditor
Medway House
Fudan Way
Teesdale Park
Stockton-on-Tees
TS17 6EN

Bankers

Bank of Scotland
41/51 Grey Street
Newcastle upon Tyne
NE1 6EE

COOPERS CHEMIST MARSKE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST AUGUST 2013

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31st August 2013.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group during the year was as dispensing chemists.

Key performance indicators

	2013	2012	2011
Gross profit margin (%)	33.40	33.45	30.16
Net operating margin (%)	3.03	3.33	1.01
Net profit margin (%)	2.56	2.84	0.63

FUTURE DEVELOPMENTS

Group companies continue to perform well in the independent sector by prudent buying of drugs and sales of profitable gift lines. During 2013/14 we will continue to source the competitive supplies of drugs and strive to enhance our reputation as a supplier of quality sundry products.

Further government reductions in Category M generic drug reimbursement and increases in the price of generics in short supply are likely to reduce profit margins again next year and affect cash flow. Sufficient funds are available to operate in these circumstances and the company will strive to maximise income from the new medical service (NMS) and medicine use review (MUR) schemes.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £157,676. Particulars of dividends paid are detailed in note 10 to the financial statements.

The board of Clevechem Limited has approved payment of a first and final dividend of £300.00 per share, payable to those shareholders who have not waived their rights to receive such dividends.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group has an established, structured approach to risk management. The group's activities expose it to a variety of financial risks, including liquidity and interest rate risks. The group has adopted risk management policies that seek to mitigate these risks in a cost effective manner.

Liquidity risk is the risk that the group does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the group ensures there is an adequate liquidity buffer to cover contingencies.

The group maintains sufficient cash and open committed credit lines from banks for its funding requirements.

Interest rate risk re unfavourable movements in interest rates is not perceived as being material to the accounts due to the borrowing agreements in place.

COOPERS CHEMIST MARSKE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST AUGUST 2013

DIRECTORS

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

Mr J Cooper
Mr D Cooper
Mrs S Cooper
Mr P McLaughlin
Mrs J Cooper
Mrs L Cooper
Mr P Brady

DIRECTORS' RESPONSIBILITIES STATEMENT

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 the profit or loss of the group for that year.

In preparing these 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.

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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.

COOPERS CHEMIST MARSKE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST AUGUST 2013

AUDITOR

A resolution to re-appoint Tait Walker LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Signed on behalf of the directors



Mr J Cooper
Director

Approved by the directors on 1/4/14.....

COOPERS CHEMIST MARSKE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE COMPANY'S SHAREHOLDERS

YEAR ENDED 31ST AUGUST 2013

We have audited the group and parent company financial statements ("the financial statements") of Coopers Chemist Marske Limited for the year ended 31st August 2013 on pages 7 to 29. 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 Sections 495 and 496 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 page 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 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 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 group's and parent company's affairs as at 31st August 2013 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 MATTER 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.

COOPERS CHEMIST MARSKE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE COMPANY'S SHAREHOLDERS (continued)

YEAR ENDED 31ST AUGUST 2013

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:

- 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

Tait Walker LLP

Julie Harrison BSC(Hons) FCA (Senior Statutory Auditor)

For and on behalf of

Tait Walker LLP

Chartered Accountants & Statutory Auditor

Medway House

Fudan Way

Teesdale Park

Stockton-on-Tees

TS17 6EN

.....7.4.14.....

COOPERS CHEMIST MARSKE LIMITED

GROUP PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST AUGUST 2013

		2013	2012
	Note	£	£
GROUP TURNOVER	2	8,268,291	8,468,733
Cost of sales		<u>5,507,013</u>	<u>5,636,150</u>
GROSS PROFIT		2,761,278	2,832,583
Administrative expenses		2,546,509	2,599,429
Other operating income	3	<u>(35,576)</u>	<u>(48,884)</u>
OPERATING PROFIT	4	250,345	282,038
Interest receivable and similar income		3,273	2,103
Interest payable and similar charges	7	<u>(41,948)</u>	<u>(43,920)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		211,670	240,221
Tax on profit on ordinary activities	8	<u>61,910</u>	<u>69,124</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		149,760	171,097
Minority interests		<u>(7,916)</u>	<u>(72,915)</u>
PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY	9	157,676	244,012
PROFIT FOR THE FINANCIAL YEAR		<u>157,676</u>	<u>244,012</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 13 to 29 form part of these financial statements.

COOPERS CHEMIST MARSKE LIMITED

GROUP BALANCE SHEET

31ST AUGUST 2013

		2013		2012	
	Note	£	£	£	£
FIXED ASSETS					
Intangible assets	11		1,665,045		1,770,708
Tangible assets	12		494,909		533,128
Investments	13		2,200		2,200
			<u>2,162,154</u>		<u>2,306,036</u>
CURRENT ASSETS					
Stocks	14	604,996		584,518	
Debtors	15	1,633,109		1,817,330	
Cash at bank and in hand		1,126,315		1,091,981	
		<u>3,364,420</u>		<u>3,493,829</u>	
CREDITORS: Amounts falling due within one year	16	<u>1,739,269</u>		<u>1,917,896</u>	
NET CURRENT ASSETS			<u>1,625,151</u>		<u>1,575,933</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,787,305</u>		<u>3,881,969</u>
CREDITORS: Amounts falling due after more than one year	17		825,771		990,789
PROVISIONS FOR LIABILITIES					
Deferred taxation	19		22,633		31,476
			<u>2,938,901</u>		<u>2,859,704</u>
MINORITY INTERESTS			<u>563,172</u>		<u>571,087</u>
			<u>2,375,729</u>		<u>2,288,617</u>
CAPITAL AND RESERVES					
Called-up equity share capital	22		100		100
Share premium account	23		237,190		237,190
Profit and loss account	23		2,138,439		2,051,327
SHAREHOLDERS' FUNDS	24		<u>2,375,729</u>		<u>2,288,617</u>

These financial statements were approved by the directors and authorised for issue on 11/11/2014, and are signed on their behalf by:



Mr J Cooper
Director

The notes on pages 13 to 29 form part of these financial statements.

COOPERS CHEMIST MARSKE LIMITED
COMPANY REGISTRATION NUMBER 01346342

COMPANY BALANCE SHEET

31ST AUGUST 2013

	Note	2013		2012	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12		55,073		80,334
Investments	13		<u>3,299,245</u>		<u>3,299,245</u>
			3,354,318		3,379,579
CURRENT ASSETS					
Stocks	14	219,213		191,434	
Debtors	15	311,894		350,030	
Cash at bank and in hand		<u>434,284</u>		<u>341,313</u>	
		965,391		882,777	
CREDITORS: Amounts falling due within one year	16	<u>2,696,101</u>		<u>2,679,418</u>	
NET CURRENT LIABILITIES			(1,730,710)		(1,796,641)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,623,608		1,582,938
CREDITORS: Amounts falling due after more than one year	17		296,494		406,387
PROVISIONS FOR LIABILITIES					
Deferred taxation	19		<u>(1,157)</u>		<u>2,888</u>
			1,328,271		1,173,663
CAPITAL AND RESERVES					
Called-up equity share capital	22		100		100
Profit and loss account	23		<u>1,328,171</u>		<u>1,173,563</u>
SHAREHOLDERS' FUNDS			1,328,271		1,173,663

These financial statements were approved by the directors and authorised for issue on 11/4/2014, and are signed on their behalf by:



 Mr J Cooper
 Director

The notes on pages 13 to 29 form part of these financial statements.

COOPERS CHEMIST MARSKE LIMITED

GROUP CASH FLOW

YEAR ENDED 31ST AUGUST 2013

	2013		2012	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		151,086		510,465
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	3,273		2,103	
Interest paid	(20,573)		(23,347)	
Interest element of hire purchase	(1,375)		(573)	
Dividends on shares classed as financial liabilities	(20,000)		(20,000)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(38,675)		(41,817)
TAXATION		(77,787)		(20,174)
CAPITAL EXPENDITURE				
Payments to acquire tangible fixed assets	232,625		(21,396)	
Receipts from sale of fixed assets	—		14,350	
NET CASH INFLOW/(OUTFLOW) FROM CAPITAL EXPENDITURE		232,625		(7,046)
EQUITY DIVIDENDS PAID		(70,564)		(222,312)
CASH INFLOW BEFORE FINANCING		196,685		219,116
FINANCING				
(Repayment of)/increase in bank loans	(155,839)		48,234	
Net outflow from other short-term creditors	—		(21)	
Capital element of hire purchase	(10,898)		46,844	
Net inflow/(outflow) from other long-term creditors	4,385		(37,803)	
NET CASH (OUTFLOW)/INFLOW FROM FINANCING		(162,352)		57,254
INCREASE IN CASH		34,333		276,370

The notes on pages 13 to 29 form part of these financial statements.

COOPERS CHEMIST MARSKE LIMITED

GROUP CASH FLOW

YEAR ENDED 31ST AUGUST 2013

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Operating profit	250,345	282,038
Amortisation	105,663	105,663
Depreciation	56,572	60,217
Loss/(profit) on disposal of fixed assets	407	(7,779)
(Increase)/decrease in stocks	(20,478)	73,455
Decrease in debtors	184,221	330,734
Decrease in creditors	(425,644)	(333,863)
Net cash inflow from operating activities	<u>151,086</u>	<u>510,465</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013		2012	
	£	£	£	£
Increase in cash in the period	34,333		276,370	
Net cash outflow from/(inflow) from bank loans	155,839		(48,234)	
Net outflow from other short-term creditors	-		21	
Cash outflow in respect of hire purchase	10,898		(46,844)	
Net cash (inflow) from/outflow from other long-term creditors	<u>(4,385)</u>		<u>37,803</u>	
		<u>196,685</u>		<u>219,116</u>
Change in net debt		196,685		219,116
Net debt at 1 September 2012		<u>(264,068)</u>		<u>(483,184)</u>
Net debt at 31 August 2013		<u>(67,382)</u>		<u>(264,068)</u>

The notes on pages 13 to 29 form part of these financial statements.

COOPERS CHEMIST MARSKE LIMITED

GROUP CASH FLOW

YEAR ENDED 31ST AUGUST 2013

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2012 £	Cash flows £	At 31 Aug 2013 £
Net cash:			
Cash in hand and at bank	<u>1,091,981</u>	<u>34,334</u>	<u>1,126,315</u>
Debt:			
Debt due within 1 year	(354,362)	(2,666)	(357,028)
Debt due after 1 year	(954,843)	154,120	(800,723)
Hire purchase agreements	<u>(46,844)</u>	<u>10,898</u>	<u>(35,946)</u>
	<u>(1,356,049)</u>	<u>162,352</u>	<u>(1,193,697)</u>
Net debt	<u>(264,068)</u>	<u>196,686</u>	<u>(67,382)</u>

The notes on pages 13 to 29 form part of these financial statements.

COOPERS CHEMIST MARSKE LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, subject to the departures referred to below.

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 20 years from the year of acquisition. The results of the 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 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

Turnover represents the value of goods sold and services provided during the year net of discounts, returns and Value Added Tax.

For shop sales, turnover is recognised at the point of sale. For services provided, turnover is recognised to the extent that, and when, there is right to consideration.

Rental income is recognised in the period to which it relates.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

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 years straight line

Fixed assets

All fixed assets are initially recorded at cost.

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

1. ACCOUNTING POLICIES *(continued)*

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:

Fixtures and fittings	-	10%/15%/20% straight line
Motor vehicles	-	25%/20% straight line
Other equipment	-	33%/25% straight line
Leasehold property alterations	-	4%/10% straight line

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the SSAP19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stocks

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

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 group 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 group companies operate defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the companies. The annual contributions payable are charged to the group profit and loss account.

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

1. ACCOUNTING POLICIES *(continued)*

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 replacement assets and charged to tax only where the replacement assets are sold.

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

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

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:

	2013	2012
	£	£
United Kingdom	<u>8,268,291</u>	<u>8,468,733</u>

3. OTHER OPERATING INCOME

	2013	2012
	£	£
Rent receivable	35,000	37,581
Profit on disposal of fixed assets	–	7,779
Other income	576	3,524
	<u>35,576</u>	<u>48,884</u>

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2013	2012
	£	£
Amortisation of intangible assets	105,663	105,663
Depreciation of owned fixed assets	42,286	53,074
Depreciation of assets held under hire purchase agreements	14,286	7,143
Loss on disposal of fixed assets	407	–
Profit on disposal of fixed assets	–	(7,779)
Operating lease costs:		
- Plant and equipment	2,957	2,577
- Other	170,478	305,904
Auditor's remuneration - audit of the financial statements	14,900	14,900
Auditor's remuneration - other fees	<u>10,753</u>	<u>6,870</u>
	2013	2012
	£	£
Auditor's remuneration - audit of the financial statements	<u>14,900</u>	<u>14,900</u>
Auditor's remuneration - other fees:		
- Accountancy services	6,053	5,200
- Taxation services	4,700	1,670
	<u>10,753</u>	<u>6,870</u>

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

5. PARTICULARS OF EMPLOYEES

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

	2013	2012
	No	No
Sales and dispensing staff	55	55
Management and administration	13	13
	<u>68</u>	<u>68</u>

The aggregate payroll costs of the above were:

	2013	2012
	£	£
Wages and salaries	1,607,405	1,593,884
Social security costs	129,747	129,747
Other pension costs	64,273	68,208
	<u>1,801,425</u>	<u>1,791,839</u>

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2013	2012
	£	£
Remuneration receivable	292,460	286,556
Value of company pension contributions to money purchase schemes	22,778	23,444
	<u>315,238</u>	<u>310,000</u>

Remuneration of highest paid director:

	2013	2012
	£	£
Total remuneration (excluding pension contributions)	140,005	137,432
Value of company pension contributions to money purchase schemes	18,674	18,173
	<u>158,679</u>	<u>155,605</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2013	2012
	No	No
Money purchase schemes	<u>4</u>	<u>5</u>

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Interest payable on bank borrowing	16,188	18,372
Finance charges	1,375	573
Other similar charges payable	24,385	24,975
	<u>41,948</u>	<u>43,920</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013		2012	
	£	£	£	£
Current tax:				
In respect of the year:				
UK Corporation tax based on the results for the year		71,009		78,043
(Over)/under provision in prior year		(256)		(864)
Total current tax		<u>70,753</u>		<u>77,179</u>
Deferred tax:				
Origination and reversal of timing differences (note 19)				
Capital allowances	(9,851)		(6,007)	
Other	<u>1,008</u>		<u>(2,048)</u>	
Total deferred tax (note 19)		<u>(8,843)</u>		<u>(8,055)</u>
Tax on profit on ordinary activities		<u>61,910</u>		<u>69,124</u>

(b) Factors affecting current tax charge

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>211,670</u>	<u>240,221</u>
Profit on ordinary activities by rate of tax	46,673	57,917
Expenses not deductible for tax purposes	861	830
Deprecation in excess of capital allowances	5,843	785
Fixed assets ineligible depreciation	25,011	27,212
Adjustments in respect of previous periods	(256)	(864)
Other short term timing differences	(231)	3,488
Marginal relief	(3,203)	(7,785)
Other permanent differences	<u>(3,945)</u>	<u>(4,404)</u>
Total current tax (note 8(a))	<u>70,753</u>	<u>77,179</u>

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £154,608 (2012 - £296,372).

10. DIVIDENDS

Equity dividends

	2013 £	2012 £
Paid during the year: Dividends on equity shares	<u>70,564</u>	<u>222,312</u>

Dividends on shares classed as financial liabilities

	2013 £	2012 £
Paid during the year: Dividends on shares classed as financial liabilities	<u>20,000</u>	<u>20,000</u>

11. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST At 1st September 2012 and 31st August 2013	<u>3,022,819</u>
AMORTISATION At 1st September 2012	1,252,111
Charge for the year	105,663
At 31st August 2013	<u>1,357,774</u>
NET BOOK VALUE At 31st August 2013	<u>1,665,045</u>
At 31st August 2012	<u>1,770,708</u>

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

12. TANGIBLE FIXED ASSETS

Group	Investment property £	Alterations to leasehold property £	Fixtures and fittings £	Motor vehicles £	Other equipment £	Total £
COST						
At 1 Sep 2012	258,433	96,428	343,159	97,843	5,217	801,080
Additions	–	–	291	18,469	–	18,760
Disposals	–	–	–	(4,995)	–	(4,995)
At 31 Aug 2013	258,433	96,428	343,450	111,317	5,217	814,845
DEPRECIATION						
At 1 Sep 2012	–	85,241	148,500	29,002	5,209	267,952
Charge for the year	–	414	31,985	24,173	–	56,572
On disposals	–	–	–	(4,588)	–	(4,588)
At 31 Aug 2013	–	85,655	180,485	48,587	5,209	319,936
NET BOOK VALUE						
At 31 Aug 2013	258,433	10,773	162,965	62,730	8	494,909
At 31 Aug 2012	258,433	11,187	194,659	68,841	8	533,128

The investment properties have been revalued by the director, Mr J Cooper. His valuations are based on local property values.

Hire purchase agreements

Included within the net book value of £494,909 is £35,714 (2012 - £50,000) 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 £14,286 (2012 - £7,143).

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

12. TANGIBLE FIXED ASSETS *(continued)*

Company	Alterations to leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
COST				
At 1st September 2012	84,602	68,747	84,605	237,954
Additions	–	292	–	292
At 31st August 2013	<u>84,602</u>	<u>69,039</u>	<u>84,605</u>	<u>238,246</u>
DEPRECIATION				
At 1st September 2012	84,102	53,600	19,918	157,620
Charge for the year	–	4,402	21,151	25,553
At 31st August 2013	<u>84,102</u>	<u>58,002</u>	<u>41,069</u>	<u>183,173</u>
NET BOOK VALUE				
At 31st August 2013	<u>500</u>	<u>11,037</u>	<u>43,536</u>	<u>55,073</u>
At 31st August 2012	<u>500</u>	<u>15,147</u>	<u>64,687</u>	<u>80,334</u>

Hire purchase agreements

Included within the net book value of £55,073 is £35,714 (2012 - £50,000) 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 £14,286 (2012 - £7,143).

13. INVESTMENTS

Group	Other investments £
COST	
At 1st September 2012 and 31st August 2013	<u>2,200</u>
NET BOOK VALUE	
At 31st August 2013 and 31st August 2012	<u>2,200</u>

COOPERS CHEMIST MARSKE LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2013

13. INVESTMENTS *(continued)*

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertakings				
Coopers Chemist Gt. Ayton Limited	England	Ordinary shares	50%	Dispensing chemist
Coopers Chemist Redcar Limited	England	Ordinary shares	100%	Dispensing chemist
Park Avenue Pharmacy Limited	England	Ordinary shares	100%	Dispensing chemist
Clevechem Limited	England	Ordinary shares	54%	Dispensing chemist

Company	Group companies £	Other investments £	Total £
COST			
At 1st September 2012 and 31st August 2013	<u>3,297,045</u>	<u>2,200</u>	<u>3,299,245</u>
NET BOOK VALUE			
At 31st August 2013 and 31st August 2012	<u>3,297,045</u>	<u>2,200</u>	<u>3,299,245</u>

14. STOCKS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Stock	<u>604,996</u>	<u>584,518</u>	<u>219,213</u>	<u>191,434</u>

15. DEBTORS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	609,461	773,062	147,440	196,640
Amounts owed by group undertakings	–	–	147,646	138,410
VAT recoverable	77,364	69,413	14,483	12,857
Other debtors	595	810	–	–
Prepayments and accrued income	945,689	974,045	2,325	2,123
	<u>1,633,109</u>	<u>1,817,330</u>	<u>311,894</u>	<u>350,030</u>

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

15. DEBTORS *(continued)*

The debtors above include the following amounts falling due after more than one year:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Amounts owed by group undertakings	–	–	106,664	103,840
Other debtors	892,395	930,817	–	–
	<u>892,395</u>	<u>930,817</u>	<u>106,664</u>	<u>103,840</u>

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	157,028	154,362	99,004	97,531
Trade creditors	1,000,286	977,141	251,892	233,548
Amounts owed to group undertakings	–	–	1,951,758	1,883,932
Hire purchase agreements	10,898	10,898	10,898	10,898
Directors' loan accounts	116,651	191,800	53,586	128,736
Corporation tax	71,009	78,043	31,603	26,158
PAYE and social security	43,476	51,780	20,801	20,140
Shares classed as financial liabilities	200,000	200,000	200,000	200,000
Other creditors	8,028	54,800	–	–
Accruals and deferred income	131,893	199,072	76,559	78,475
	<u>1,739,269</u>	<u>1,917,896</u>	<u>2,696,101</u>	<u>2,679,418</u>

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

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	157,028	154,362	99,004	97,531
Hire purchase agreements	10,898	10,898	10,898	10,898
	<u>167,926</u>	<u>165,260</u>	<u>109,902</u>	<u>108,429</u>

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

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

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	635,131	793,636	271,446	370,441
Hire purchase agreements	25,048	35,946	25,048	35,946
Other creditors	165,592	161,207	–	–
	<u>825,771</u>	<u>990,789</u>	<u>296,494</u>	<u>406,387</u>

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

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	635,131	793,636	271,446	370,441
Hire purchase agreements	25,048	35,946	25,048	35,946
	<u>660,179</u>	<u>829,582</u>	<u>296,493</u>	<u>406,387</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	<u>111,057</u>	<u>175,824</u>	<u>–</u>	<u>–</u>

Parent company bank borrowings are secured over the whole assets of the company. Repayment is made by instalment, commencing in 2007, over a period of 10 years. Interest is charged at 1% above the bank's base rate.

The borrowings of the subsidiary undertaking, Clevechem Limited, are secured by a legal charge dated 21st December 2009 in favour of Alliance & Leicester plc on the leasehold property known as The Pharmacy, Redcar Primary Care Centre, West Dyke Road, Redcar. There is also a debenture dated 21st December 2009 in favour of Alliance & Leicester plc with a fixed and floating charge over the assets of the company. Alliance & Leicester plc is now part of the Santander Group. Repayment is made by instalment, commencing December 2009, over a period of 10 years. Interest is charged at 1.5% over the bank's base rate.

The bank borrowings of the subsidiary undertaking, Coopers Chemist Redcar Limited, are secured by a legal charge in favour of Bank of Scotland plc on the freehold property known as 4-6 Coatham Road, Redcar. Repayment is made by instalment over ten years starting September 2011. Interest is charged at 2.25% over the bank's base rate.

Hire purchase agreements are secured on the assets to which they relate.

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2013	2012
	£	£
Group and Company		
Amounts payable within 1 year	12,273	12,273
Amounts payable between 2 to 5 years	28,208	40,481
	<u>40,481</u>	<u>52,754</u>
Less interest and finance charges relating to future periods	(4,535)	(5,910)
	<u>35,946</u>	<u>46,844</u>

19. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Provision/Asset brought forward	31,476	39,531	2,888	(1,907)
(Decrease)/Increase in provision	(8,843)	(8,055)	(4,045)	4,795
Provision/Asset carried forward	<u>22,633</u>	<u>31,476</u>	<u>(1,157)</u>	<u>2,888</u>

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

Group	2013		2012	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	27,573	-	37,424	-
Other timing differences	(4,940)	-	(5,948)	-
	<u>22,633</u>	<u>-</u>	<u>31,476</u>	<u>-</u>

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

Company	2013		2012	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	(1,157)	-	2,888	-

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

20. COMMITMENTS UNDER OPERATING LEASES

At 31st August 2013 the group had annual commitments under non-cancellable operating leases as set out below.

Group	2013		2012	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire:				
Within 1 year	-	2,507	5,438	2,507
Within 2 to 5 years	17,000	5,820	17,000	3,120
After more than 5 years	144,394	-	136,394	-
	<u>161,394</u>	<u>8,327</u>	<u>158,832</u>	<u>5,627</u>

At 31st August 2013 the company had annual commitments under non-cancellable operating leases as set out below.

Company	2013		2012	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire:				
Within 1 year	-	-	5,438	-
Within 2 to 5 years	17,000	3,120	17,000	3,120
After more than 5 years	43,794	-	35,794	-
	<u>60,794</u>	<u>3,120</u>	<u>58,232</u>	<u>3,120</u>

COOPERS CHEMIST MARSKE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2013

21. RELATED PARTY TRANSACTIONS

During the year, the following transactions were undertaken with related parties:

Coopers Chemist Marske Limited paid rent totalling £35,794 (2012: £35,794) to a Trust for whom the beneficiary is Mrs S Cooper.

Coopers Chemist Marske Limited paid rent totalling £17,000 (2012: £17,000) on a property jointly owned by Mr J Cooper and Mrs L Cooper.

Coopers Chemist Marske Limited received rent totalling £17,000 (2012: £17,000) on a property jointly owned by Mr J Cooper and Mrs L Cooper.

Directors, Mrs L Cooper and Mrs J Cooper, each received £12,800 (2012: £12,800) as payment for property rent.

Group companies paid locum fees totalling £43,550 (2012: £24,054) to Mrs S Ramsden who is the wife of a director of a subsidiary undertaking.

Group companies paid the following dividends to the directors:

Mr J Cooper £1,261 (2012: £42,924).

Mr D Cooper £1,261 (2012: £40,559).

Mrs S Cooper £nil (2012: £788) on ordinary shares and £20,000 (2012: £20,000) on preferences shares.

Mrs L Cooper £30,271 (2012: £65,271).

Mrs J Cooper £30,271 (2012: £65,271).

During the previous financial year Coopers Chemist Marske Limited sold a vehicle to Mr J Cooper and Mrs L Cooper for £14,350.

Current liabilities include the following amounts owed to directors:

Mr J Cooper £54,539 (2012: £98,326).

Mr D W Cooper £1,570 (2012: £32,144).

Mrs L Cooper £30,271 (2012: £30,271).

Mrs J Cooper £30,271 (2012: £30,271).

Mrs S Cooper £nil (2012: £788).

Loans from directors are interest free and repayable on demand.

Current liabilities also include £165,592 (2012: £203,985) owed to Scott Chem Limited, a company controlled by Mr S W Walker who is a director of subsidiary undertaking, Clevechem Limited.

Mr J Cooper has provided personal guarantees in respect of certain company hire purchase contracts. At the balance sheet date, the net amount due under these contracts amounted to £35,946 (2012: £46,844).

COOPERS CHEMIST MARSKE LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2013

22. SHARE CAPITAL

Authorised share capital:

	2013	2012
	£	£
5,000 Ordinary shares of £1 each	5,000	5,000
200,000 10% Preference shares of £1 each	200,000	200,000
	<u>205,000</u>	<u>205,000</u>

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
100 Ordinary shares of £1 each	100	100	100	100
200,000 10% Preference shares of £1 each	200,000	200,000	200,000	200,000
	<u>200,100</u>	<u>200,100</u>	<u>200,100</u>	<u>200,100</u>

Amounts presented in equity:

	2013	2012
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Amounts presented in liabilities:

	2013	2012
	£	£
200,000 10% Preference shares of £1 each	<u>200,000</u>	<u>200,000</u>

Preference shares pay an annual dividend of 10%. Preference shareholders do not have any voting rights. In the event of liquidation, the surplus assets available to the company's members after payment of all liabilities will be paid to preference shareholders ahead of ordinary shareholders.

23. RESERVES

Group	Share premium account	Profit and loss account
	£	£
Balance brought forward	237,190	2,051,327
Profit for the year	-	157,676
Equity dividends	-	(70,564)
Balance carried forward	<u>237,190</u>	<u>2,138,439</u>

COOPERS CHEMIST MARSKE LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2013

23. RESERVES *(continued)*

Company	Profit and loss account
	£
Balance brought forward	1,173,563
Profit for the year	154,608
Balance carried forward	<u>1,328,171</u>

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£	£
Profit for the financial year	157,676	244,012
Equity dividends	<u>(70,564)</u>	<u>(222,312)</u>
Net addition to shareholders' funds	87,112	21,700
Opening shareholders' funds	<u>2,288,617</u>	<u>2,266,917</u>
Closing shareholders' funds	<u>2,375,729</u>	<u>2,288,617</u>

25. ULTIMATE CONTROLLING PARTY

The group is ultimately controlled by Mr J Cooper who is a director and majority shareholder in the parent company.