Registration number 05601531

Guidebrook Limited

Abbreviated accounts

for the year ended 31 March 2012



Guidebrook Limited

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Guidebrook Limited

Directors' report
for the year ended 31 March 2012

The directors present their report and the accounts for the year ended 31 March 2012

Principal activity and review of the business
The principal activity of the company is that of retail pharmacy

Business review
The directors remain confident of the future of the company despite community pharmacies experiencing unprecedented changes over the past few years Whilst the sector has been subject to pressure from several sources the directors continue to believe that well resourced pharmacies providing good quality sevice to patients aided by IT and automation will continue to thrive

Results and dividends
The results for the year are set out on page 4
The directors do not recommend payment of a final dividend

Financial risk management objectives and policies
The company has considered and implemented a series of procedures and safeguards which are embedded into our systems to ensure there is adequate protection against the risks inherent to our business Whilst there can be no guarantee that we are free from the various risks and issues facing both the company and the wider sector, the directors are confident that we have rigorous internal financial controls in place which are commensurate with our needs

Directors
The directors who served during the year are as stated below

Philip Brown
Patricia Brown

Statement of 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 of the profit or loss of the company for that year In preparing these financial statements, the directors are required to

- select suitable accounting policies and 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 company will continue in business

Directors' report
for the year ended 31 March 2012

continued

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

In so far as the directors are aware

- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Alan Cooper Saunders Angel are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006

This report was approved by the Board on 12|10|2012 and signed on its behalf by

Patricia Brown
Secretary

Independent auditors' report to Guidebrook Limited under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 4 to 16 together with the financial statements of Guidebrook Limited for the year ended 31 March 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006 Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of the directors and the auditors

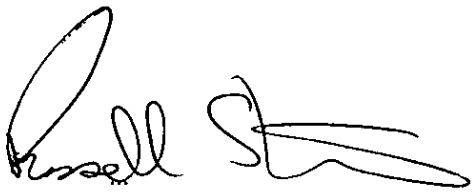
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006 It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with that provision



Russell Stocker FCA (senior statutory auditor)
For and on behalf of Alan Cooper Saunders Angel
Chartered Accountants and
Statutory Auditors
15th November 2012

Kenton House
666 Kenton Road
Harrow
HA3 9QN

Abbreviated profit and loss account
for the year ended 31 March 2012

		Continuing operations	
		2012	2011
	Notes	£	£
Turnover		8,355,901	7,576,577
Gross profit		2,507,057	2,239,078
Administrative expenses		(2,388,055)	(2,046,235)
Operating profit	2	119,002	192,843
Other interest receivable and similar income	4	2,241	2,891
Interest payable and similar charges	5	(18,455)	(560)
Profit on ordinary activities before taxation		102,788	195,174
Tax on profit on ordinary activities	8	(169,971)	(196,615)
Loss for the year	16	(67,183)	(1,441)
Accumulated loss brought forward		(476,167)	(474,726)
Accumulated loss carried forward		(543,350)	(476,167)

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 7 to 16 form an integral part of these financial statements.

Guidebrook Limited

Abbreviated balance sheet
as at 31 March 2012

	Notes	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Intangible assets	9		7,580,119		8,275,709
Tangible assets	10		146,694		107,159
Investments	11		1,300		1,300
			7,728,113		8,384,168
Current assets					
Stocks	12	361,078		399,846	
Debtors	13	1,528,186		2,049,480	
Cash at bank and in hand		240,878		139,134	
		2,130,142		2,588,460	
Creditors: amounts falling due within one year	14	(2,601,605)		(3,648,795)	
Net current liabilities			(471,463)		(1,060,335)
Net assets			7,256,650		7,323,833
Capital and reserves					
Called up share capital	15		7,800,000		7,800,000
Profit and loss account	16		(543,350)		(476,167)
Shareholders' funds	17		7,256,650		7,323,833

These abbreviated accounts have been prepared in accordance with the special provisions of Section 445(3) of the Companies Act 2006 relating to medium-sized companies

The abbreviated accounts were approved by the Board on 12/10/2012 and signed on its behalf by

Philip Brown
Director

Patricia Brown
Director

Registration number 05601531

The notes on pages 7 to 16 form an integral part of these financial statements.

Cash flow statement
for the year ended 31 March 2012

	Notes	2012 £	2011 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		119,002	192,843
Depreciation		733,153	641,108
Decrease in stocks		38,768	(122,341)
Decrease in debtors		521,294	(727,887)
(Decrease) in creditors		(951,712)	2,355,045
Net cash inflow from operating activities		460,505	2,338,768
Cash flow statement			
Net cash inflow from operating activities		460,505	2,338,768
Returns on investments and servicing of finance	19	(16,214)	2,331
Taxation	19	(265,450)	(130,349)
Capital expenditure	19	(77,098)	(2,217,100)
Acquisitions and disposals	19	-	(100)
Increase in cash in the year		101,743	(6,450)
Reconciliation of net cash flow to movement in net funds (Note 20)			
Increase in cash in the year		101,743	(6,450)
Net funds at 1 April 2011		139,134	145,584
Net funds at 31 March 2012		240,877	139,134

Notes to the abbreviated financial statements for the year ended 31 March 2012

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 15 years

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% straight line
Motor vehicles	-	25% straight line

1 5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

1.7. Stock

Stock is valued at the lower of cost and net realisable value

1 8. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

continued

1.9. 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,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

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

1.10. Group accounts

These accounts present information about the company as an individual undertaking The group consists of the company and wholly owned, dormant subsidiaries The directors therefore consider preparation of Consolidated Financial Statements would provide no useful information and would incur unnecessary professional costs

2. Operating profit

	2012	2011
	£	£
Operating profit is stated after charging		
Depreciation and other amounts written off intangible assets	695,590	579,045
Depreciation and other amounts written off tangible assets	37,563	62,063
Operating lease rentals		
- Land and buildings	136,800	140,076
- Motor vehicles	13,246	21,756
Auditors' remuneration (Note 3)	5,750	4,000

continued

3. Auditors' remuneration

	2012	2011
	£	£
Auditors' remuneration - audit of the financial statements	5,750	4,000

4. Interest receivable and similar income

	2012	2011
	£	£
Bank interest	1,621	2,100
Other interest	620	791
	2,241	2,891

5. Interest payable and similar charges

	2012	2011
	£	£
Interest payable on loans < 1 yr	18,396	-
On overdue tax	59	560
	18,455	560

6. Employees

Number of employees	2012	2011
The average monthly numbers of employees (including the directors) during the year were		
Operational staff FT equivalent as at 31 March 10 & 09	74	56

Employment costs	2012	2011
	£	£
Wages and salaries	1,009,251	850,797
Social security costs	80,541	72,502
Pension costs-other operating charge	3,002	2,624
	1,092,794	925,923

continued

7. Pension costs

The company operates a defined contribution pension scheme in respect of the employees The scheme and its assets are held by independent managers The pension charge represents contributions due from the company and amounted to £3,002 (2011 2,624l)

8. Tax on profit on ordinary activities

Analysis of charge in period	2012 £	2011 £
Current tax		
UK corporation tax at 26 00% (2011 - 28 00%)	169,971	197,234
Adjustments in respect of previous periods	-	581
	169,971	197,815
Total current tax charge	169,971	197,815
Deferred tax		
Timing differences, origination and reversal	-	(1,200)
Total deferred tax	-	(1,200)
Tax on profit on ordinary activities	169,971	196,615

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (26 00 per cent) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before taxation	102,788	195,174
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26 00% (31 March 2011 28 00%)	26,725	54,649
Effects of:		
Expenses not deductible for tax purposes	247	(21)
Capital allowances for period in excess of depreciation	(4,831)	8,532
Effect of non - deductible Goodwill amortisation	146,617	131,054
Short Lease Premium	1,213	3,020
Current tax charge for period	169,971	197,234

continued

9. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 April 2011	10,433,843	10,433,843
At 31 March 2012	10,433,843	10,433,843
Amortisation		
At 1 April 2011	2,158,134	2,158,134
Charge for year	695,590	695,590
At 31 March 2012	2,853,724	2,853,724
Net book values		
At 31 March 2012	7,580,119	7,580,119
At 31 March 2011	8,275,709	8,275,709

In January 2007 the company purchased Kemsley Pharmacy Limited and Pharmacy Services Limited and hived up their trade and assets In December 2007 the company purchased Pirmo Chemists Limited and hived up the trade and assets In November 2010 the company purchased D A Williams (Chemists) Limited and hived up the trade and assets This resulted in an apparent over valuation of investments held in the company's book, though there was no overall loss to the company The Companies Act requires that where such over valuation is expected to be permanent, the investment should be written down accordingly The directors consider that as the substance of the transaction was to purchase the trade and assets including goodwill, such treatment would fail to give a true and fair view and the diminution in value of the investment has instead been reallocated to goodwill The effect on the company's balance sheet of this departure from the requirements of the Companies Act is to recognise goodwill of £7,580,119 net of amortisation of £2,853,724

continued

10. Tangible fixed assets

	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2011	100,667	217,491	7,670	325,828
Additions	5,065	33,397	38,636	77,098
At 31 March 2012	105,732	250,888	46,306	402,926
Depreciation				
At 1 April 2011	34,475	177,801	6,393	218,669
Charge for the year	10,425	21,396	5,742	37,563
At 31 March 2012	44,900	199,197	12,135	256,232
Net book values				
At 31 March 2012	60,832	51,691	34,171	146,694
At 31 March 2011	66,192	39,690	1,277	107,159

11. Fixed asset investments

	Subsidiary undertakings shares £	Total £
Cost		
At 1 April 2011		
At 31 March 2012	1,300	1,300
Net book values		
At 31 March 2012	1,300	1,300
At 31 March 2011	1,300	1,300

continued

11.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Kemsley Pharmacy Limited	England	Non trading	Ordinary	100%
Pharmacy Services Limited	England	Non trading	Ordinary	100%
Pirmo Chemist Limited	England	Non trading	Ordinary	100%
NewCo 2 Limited	England	Non Trading	Ordinary	100%
D A Wiliams (Chemists) Limite	England	Non Trading	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves	Profit for the year
	£	£
Kemsley Pharmacy Limited	100	-
Pharmacy Services Limited	1,000	-
Pirmo Chemist Limited	100	-
NewCo 2 Limited	100	-
D A Wiliams (Chemists) Limited	100	-

12. Stocks

	2012	2011
	£	£
Finished goods and goods for resale	361,078	399,846

13. Debtors

	2012	2011
	£	£
Trade debtors	1,379,932	1,492,924
Amounts owed by group undertakings	822	-
Other debtors	92,187	489,091
Prepayments and accrued income	55,245	67,465
	1,528,186	2,049,480

continued

14. Creditors: amounts falling due within one year	2012 £	2011 £
Trade creditors	1,160,271	1,215,508
Amounts owed to group undertaking	1,300	1,300
Amounts owed to connected companies	1,300,000	1,450,000
Corporation tax	79,971	175,449
Other taxes and social security costs	23,092	25,358
Directors' accounts	-	609,652
Other creditors	838	148,835
Accruals and deferred income	36,133	22,693
	2,601,605	3,648,795

15. Share capital	2012 £	2011 £
Allotted, called up and fully paid		
7,800,000 Ordinary shares of £1 each	7,800,000	7,800,000
Equity Shares		
7,800,000 Ordinary shares of £1 each	7,800,000	7,800,000

16 Equity Reserves	Profit and loss account £	Total £
At 1 April 2011	(476,167)	(476,167)
Loss for the year	(67,183)	(67,183)
At 31 March 2012	(543,350)	(543,350)

17. Reconciliation of movements in shareholders' funds	2012 £	2011 £
Loss for the year	(67,183)	(1,441)
Opening shareholders' funds	7,323,833	7,325,274
Closing shareholders' funds	7,256,650	7,323,833

continued

18. Financial commitments

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Expiry date:				
Within one year	15,250	-	1,390	14,100
Between one and five years	-	15,250	26,227	33,668
In over five years	129,000	129,000	-	-
	144,250	144,250	27,617	47,768

19. Gross cash flows

	2012	2011
	£	£
Returns on investments and servicing of finance		
Interest received	2,241	2,891
Interest paid	(18,455)	(560)
	(16,214)	2,331
Taxation		
Corporation tax paid	(265,450)	(130,349)
Capital expenditure		
Payments to acquire intangible assets	-	(2,183,691)
Payments to acquire tangible assets	(77,098)	(33,409)
	(77,098)	(2,217,100)
Acquisitions and disposals		
Payments on acquisition of group interests	-	(100)

continued

20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	139,134	101,744	240,878
Net funds	139,134	101,744	240,878