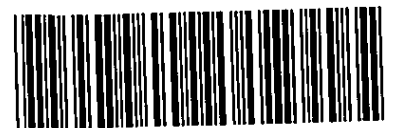


Company registration number: 3467418

**Boots Insurance Services Limited**  
**Directors' report and financial statements**  
for the year ended 31 March 2009

THURSDAY



\*AZKVSDC5\*

A21

17/09/2009

278

COMPANIES HOUSE

**Contents**

<b>Directors' report</b>	<b>1</b>
<b>Directors' responsibilities statement</b>	<b>2</b>
<b>Independent auditors' report</b>	<b>3</b>
<b>Profit and loss account</b>	<b>4</b>
<b>Balance sheet</b>	<b>5</b>
<b>Notes to the financial statements</b>	<b>6-9</b>

# Boots Insurance Services Limited

## Directors' report

for the year ended 31 March 2009

The Directors present their report and the audited financial statements for the year ended 31 March 2009.

### Principal activities

On 31 March 2008 the majority of the trade and assets of the company were transferred to Boots UK Limited and the company ceased trading. The company has not traded during the year.

### Business review

Details of the loss for the year are shown in the profit and loss account on page 4.

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these financial statements.

### Dividends

The directors do not recommend the payment of a dividend for the year (2008: nil).

### Directors

The following served as Directors during the year:

P Fussey	Resigned 1 June 2009
K Murphy	Appointed 1 June 2009
Alliance Boots (Nominees) Limited	

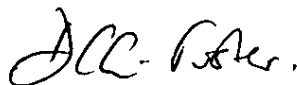
### Auditors

The Company has elected to dispense with the annual reappointment of auditors and accordingly KPMG Audit Plc remain in office. Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and will therefore continue in office.

### Statement as to disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board:



D Foster  
Secretary

30 June 2009

Registered Office:  
1 Thane Road West  
Nottingham  
NG2 3AA

Registered in England and Wales No. 3467418

## **Boots Insurance Services Limited**

### **Directors' responsibilities statement**

for the year ended 31 March 2009

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). The financial statements are required by law to 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 period.

In preparing these financial statements, the Directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## Independent auditors' report to the members of Boots Insurance Services Limited

We have audited the financial statements of Boots Insurance Services Limited ('the Company') for the year ended 31 March 2009 which comprise the Profit and loss account, the Balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed. We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
Birmingham

30 June 2009

## Boots Insurance Services Limited

### Profit and loss account

for the year ended 31 March 2009

	Notes	2009 £000	2008 £000
Turnover	2	-	2,370
Operating (loss)/profit	2	(7,168)	2,258
Loss on sale of discontinued operations	4	-	(12)
Interest receivable and similar income	5	45	268
(Loss)/profit on ordinary activities before taxation		(7,123)	2,514
Tax on (loss)/profit on ordinary activities	6	456	(758)
(Loss)/profit for the financial year		(6,667)	1,756

There are no recognised gains and losses for the current and preceding financial years other than the loss of £6,667,000 (2008: profit of £1,756,000) shown above. Accordingly, no statement of recognised gains and losses is presented.

There is no difference between the reported loss shown above and the loss for the year restated on an historical cost basis. Accordingly, no note of historical cost profits is presented.

The amounts presented for the current and preceding financial years are derived from discontinued operations.

## Boots Insurance Services Limited

### Balance sheet

as at 31 March 2009

	Notes	2009 £000	2008 £000
<b>Current assets</b>			
Debtors	7	-	7,132
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	8	-	(465)
<b>Net assets</b>		-	6,667
<b>Capital and reserves</b>			
Called up share capital	9,10	-	-
Profit and loss account	10	-	6,667
<b>Shareholders' funds</b>		-	6,667

The notes on pages 6 to 9 form part of the Company's financial statements.

These financial statements were approved by the Board on 30 June 2009 and were signed on its behalf by:



Director

CHRIS GILES  
For & on Behalf of  
ALLIANCE BOOTS (NOMINEES) LTD .

# Boots Insurance Services Limited

## Notes to the financial statements

for the year ended 31 March 2009

### 1. Accounting policies

#### Basis of preparation

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, and under the historical cost convention.

AB Acquisitions Holdings Limited ('AB AHL'), the ultimate parent undertaking of the Alliance Boots Group ('the Group'), includes the Company's assets, liabilities and results in its own publicly-available consolidated financial statements. Under FRS 1 (Revised 1996), 'Cash flow statements', the Company is therefore exempt from the requirement to prepare a cash flow statement. In addition, under SSAP 25, 'Segmental Reporting', the Company is exempt from the requirement to present segmental information on the grounds that AB AHL includes segmental information in its own publicly-available consolidated financial statements in compliance with IAS 14, 'Segment Reporting'.

The Company's voting rights are wholly controlled within the Group and, consequently, the Company is exempt under FRS 8, 'Related party Disclosures', from disclosing transactions with entities that are part of the Group or investees of the Group qualifying as related parties.

#### Turnover

Turnover shown on the face of the profit and loss account is the amount derived from the sale of goods and provision of services in the normal course of business, net of trade discounts, value added tax and other sales-related taxes. Turnover from the sale of goods is recognised at the point contractual obligations to a customer have been fulfilled. For the sale of goods, turnover is recognised when legal title transfers to a customer.

#### Leases

Leases, for which the Company assumes substantially all the risks and rewards of ownership, are classified as finance leases. The cost of assets held under finance leases, including lease premiums paid upfront, is included within tangible fixed assets and depreciation is provided in accordance with the policy for the class of asset concerned over the length of the lease. The corresponding obligations under these leases are shown in creditors. The finance charge element of rentals is charged to the profit and loss account through interest payable and similar charges using a constant periodic rate of charge on the remaining balance of the outstanding obligations.

Payments made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Benefits received as an incentive to sign a lease, whatever form they may take, are credited to the profit and loss account on a straight-line basis over the shorter of the lease term and the period until the contractually-specified rent review date.

#### Share capital

##### Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Accordingly, a financial instrument is treated as equity if:

- there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- the instrument is a non-derivative that contains no contractual obligation to deliver a variable number of shares or is a derivative that will be settled only by the Group exchanging a fixed amount of cash or other assets for a fixed number of the Company's own equity instruments.

Equity instruments are recorded as share capital and share premium, as applicable, net of tax-effected share issue costs. To the extent that this definition is not met, the proceeds of any issue are classified as a financial liability.

#### Taxation

##### Current taxation

Current tax is recognised at the amount expected to be paid or recovered for the period based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

##### Deferred taxation

Deferred tax is recognised on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised to the extent that it is more likely than not there will be suitable taxable profits against which the underlying timing differences can reverse. Deferred tax liabilities are not recognised in respect of corporation tax on chargeable gains arising on the disposal of assets where that gain is expected to be deferred indefinitely.

Deferred tax is measured on a non-discounted basis at the average rates expected to apply in the periods when the timing differences are expected to reverse using the tax rates and laws enacted or substantively enacted at the balance sheet date.



# Boots Insurance Services Limited

## Notes to the financial statements (continued) for the year ended 31 March 2009

### 2. Loss from operations

	2009 £000	2008 £000
Turnover	-	2,370
Cost of sales	-	-
<b>Gross profit</b>	-	2,370
Distribution costs	-	(68)
Administrative expenses	(7,168)	(44)
<b>Operating (loss)/profit</b>	<b>(7,168)</b>	<b>2,258</b>

Operating (loss)/profit is stated after charging:

	2009 £000	2008 £000
Depreciation of tangible fixed assets		
- owned assets	-	8
- held under finance leases	-	4
Exceptional items:		
- write off amounts due from group undertakings	7,168	-

The 2009 audit fee was borne by a fellow group undertaking.

### 3. Staff numbers and costs

The average monthly number of full time equivalent persons employed by the Company during the year, analysed by function, was:

	2009 Full time equivalents	2008 Full time equivalents
Administration	-	6

Costs incurred in respect of these employees were:

	2009 £000	2008 £000
Wages and salaries	-	136
Social security costs	-	10
Pension costs	-	21
	-	167

### 4. Loss on sale of discontinued operations

The loss on disposal of discontinued operations of £nil (2008: £12,000) related to the transfer of the majority of the trade and assets of the company to Boots UK Limited on 31 March 2008:

	2009 £000	2008 £000
Tangible fixed assets	-	38
Stock	-	332
Creditors	-	(167)
Cash	-	271
Net assets disposed	-	474
<b>Cash proceeds</b>	<b>-</b>	<b>462</b>
<b>Loss on disposal</b>	<b>-</b>	<b>12</b>

# Boots Insurance Services Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2009

### 5. Interest receivable and similar income

	2009 £000	2008 £000
Interest receivable from bank deposits	-	14
Interest receivable from group undertakings	45	254
	45	268

### 6. Tax on (loss)/profit on ordinary activities

An analysis of the tax (credit)/charge for the year is presented as follows:

	2009 £000	2008 £000
<b>Current tax</b>		
<i>United Kingdom ('UK') corporation tax</i>		
Corporation tax on income for the period at 28% (2008: 30%)	-	744
Adjustments in respect of prior periods	(456)	-
	(456)	744
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	14
<b>Tax on (loss)/profit on ordinary activities</b>	(456)	758

The tax credit for the financial year is lower (2008: charge is lower) than the standard rate of corporation tax of 28% (2008: 30%). The differences are explained below:

	2009 £000	2008 £000
(Loss)/profit on ordinary activities before tax	(7,123)	2,514
Current tax at 28% (2008: 30%)	(1,994)	754
Effects of:		
Depreciation in arrears of capital allowances	-	(3)
Expenses not deductible for tax purposes	2,007	-
Loss on disposal of business	-	4
UK transfer pricing adjustment	-	(11)
Group relief claimed for nil payment	(13)	-
Adjustments in respect of prior periods	(456)	-
<b>Total current tax credit/(charge) as above</b>	(456)	744

The standard rate of corporation tax in the UK changed to 28% with effect from 1 April 2008.

### 7. Debtors

	2009 £000	2008 £000
Amounts owed by group undertakings	-	7,132

### 8. Creditors: amounts falling due within one year

	2009 £000	2008 £000
Corporation tax	-	456
Other creditors including taxes and social security	-	9
	-	465

# Boots Insurance Services Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2009

### 9. Called up share capital

	2009 £	2008 £
<b>Authorised</b>		
1,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid</b>		
2 ordinary shares of £1 each	2	2

### 10. Reconciliation of movements in equity shareholders' funds

	Share capital £000	Profit and loss account £000	Total £000
At 1 April 2008	-	6,667	6,667
Loss for the financial year	-	(6,667)	(6,667)
<b>At 31 March 2009</b>	-	-	-

	Share capital £000	Profit and loss account £000	Total £000
At 1 April 2007	-	4,911	4,911
Profit for the financial year	-	1,756	1,756
<b>At 31 March 2008</b>	-	6,667	6,667

### 11. Ultimate parent undertaking

At 31 March 2009 the Company's immediate parent company was AB Dormants Limited and its ultimate parent company and controlling party was AB Acquisitions Holdings Limited. AB Acquisitions Holdings Limited is also the parent undertaking of the largest group in which the Company is consolidated.

AB Acquisitions Holdings Limited is incorporated in Gibraltar, and its registered office is 57/63 Line Wall Road, Gibraltar. AB Acquisitions Holdings Limited is jointly controlled by Alliance Santé Participations S.A., and certain funds advised by Kohlberg Kravis Roberts & Co. L.P., S. Pessina, and O. Barra, who are Directors of Alliance Boots GmbH, are also Directors of Alliance Santé Participations S.A., which is ultimately owned by a family trust.

The smallest group in which the results of the Company are consolidated is that headed by Alliance Boots GmbH, a company incorporated in Switzerland. The consolidated financial statements of this group are available from the Alliance Boots website at [www.allianceboots.com](http://www.allianceboots.com).