

AHLP Pharmacy Limited
Financial Statements
31 March 2016



AHLP Pharmacy Limited

Financial Statements

Year ended 31 March 2016

Contents	Page
Strategic report	1
Directors' report	2
Independent auditor's report to the members	4
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9

AHLP Pharmacy Limited

Strategic Report

Year ended 31 March 2016

The directors present their strategic report for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company did not trade in the current year, following the sale of its trade and certain assets to Lloyds Pharmacy Limited on 31 March 2015. The directors are seeking alternative activities for the company and believe that the company will continue in existence for the foreseeable future.

Principal risks and uncertainties

Since the company has ceased to trade the directors consider there are no longer any significant risks or uncertainties to disclose.

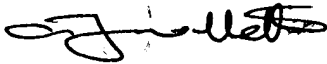
Key performance indicators (KPIs)

Since the company has ceased to trade no key performance indicators are relevant.

Financial risk management

The financial risks are managed by a fellow group company, Admenta UK Limited. The management of these risks are discussed in the Admenta UK Limited financial statements.

This report was approved by the board of directors on 20/12/16 and signed on behalf of the board by:



A J Willetts
Director

Registered office:
Sapphire Court
Walsgrave Triangle
Coventry
CV2 2TX

AHLP Pharmacy Limited

Directors' Report

Year ended 31 March 2016

The directors present their report and the financial statements of the company for the year ended 31 March 2016.

Results and dividends

The profit for the year, after taxation, amounted to £nil (15 month period to 31 March 2015: £1,290,366). Particulars of dividends paid are detailed in note 10 to the financial statements.

Directors

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

A Walters
S Minion
A J Willetts
W Hall

Future developments

Future developments of the business have been detailed in the strategic report.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

Financial risk management

The financial risks are managed by a fellow group company, Admenta UK Limited. The management of these risks are discussed in the Admenta UK Limited financial statements.

Disclosure of information in the strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 profit or loss of the company for that period.

AHLP Pharmacy Limited

Directors' Report *(continued)*

Year ended 31 March 2016

Directors' responsibilities statement *(continued)*

In preparing these financial statements, the directors are required to:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act.

Approval of reduced disclosures

The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

This report was approved by the board of directors on 20/12/16 and signed on behalf of the board by:



A J Willetts
Director

Registered office:
Sapphire Court
Walsgrave Triangle
Coventry
CV2 2TX

AHLP Pharmacy Limited

Independent Auditor's Report to the Members of AHLP Pharmacy Limited

Year ended 31 March 2016

We have audited the financial statements of AHLP Pharmacy Limited for the year ended 31 March 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the directors' responsibilities statement, 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 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 strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 company's affairs as at 31 March 2016 and of its result 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AHLP Pharmacy Limited

Independent Auditor's Report to the Members of AHLP Pharmacy Limited *(continued)*

Year ended 31 March 2016

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:

- adequate accounting records have not been kept, or 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
- we have not received all the information and explanations we require for our audit.

David Hall, FCA

David Hall FCA (Senior Statutory Auditor)

For and on behalf of
Deloitte LLP
Chartered accountant & statutory auditor
Nottingham, United Kingdom

20 December 2016

AHLP Pharmacy Limited

Statement of Comprehensive Income

Year ended 31 March 2016

		Year to 31 Mar 16	Period from 1 Jan 14 to 31 Mar 15
	Note	£	£
Turnover	4	–	1,886,104
Cost of sales		–	(1,219,107)
Gross profit		–	666,997
Distribution costs		–	(308,325)
Administrative expenses		–	(104,938)
Gain on impairment or disposal of operations		–	1,085,011
Operating profit	5	–	1,338,745
Profit on ordinary activities before taxation		–	1,338,745
Tax on profit on ordinary activities	9	–	(48,379)
Profit for the financial year and total comprehensive income		–	1,290,366

AHLP Pharmacy Limited

Statement of Financial Position

31 March 2016

	Note	2016 £	£	2015 £
Current assets				
Debtors	11	112,185		1,530,526
Cash at bank and in hand		—		1,034
		<u>112,185</u>		<u>1,531,560</u>
Creditors: amounts falling due within one year	12	<u>—</u>		<u>(52,859)</u>
Net current assets			<u>112,185</u>	<u>1,478,701</u>
Total assets less current liabilities			<u>112,185</u>	<u>1,478,701</u>
Capital and reserves				
Called up share capital	14		100	100
Capital redemption reserve	15		—	196,045
Profit and loss account	15		<u>112,085</u>	<u>1,282,556</u>
Shareholders funds			<u>112,185</u>	<u>1,478,701</u>

These financial statements were approved by the board of directors and authorised for issue on 29/12/16 and are signed on behalf of the board by:



A J Willetts
Director

Company registration number: 04006993

AHLP Pharmacy Limited

Statement of Changes in Equity

Year ended 31 March 2016

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2014	100	144,836	(7,810)	137,126
Profit for the year	—	—	1,290,366	1,290,366
Total comprehensive income for the year	—	—	1,290,366	1,290,366
Capital contribution	—	51,209	—	51,209
Total investments by and distributions to owners	—	51,209	—	51,209
At 31 March 2015	100	196,045	1,282,556	1,478,701
Profit for the year	—	—	—	—
Dividends paid and payable	10	—	(1,366,516)	(1,366,516)
Reserves transfer	—	(196,045)	196,045	—
Total investments by and distributions to owners	—	(196,045)	(1,170,471)	(1,366,516)
At 31 March 2016	100	—	112,085	112,185

AHLP Pharmacy Limited

Notes to the Financial Statements

Year ended 31 March 2016

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. Accounting policies

Basis of preparation

AHLP Pharmacy Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 1.

The directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding period.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 18.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of McKesson Corporation which can be obtained from McKesson Corporation, One Post Street, San Francisco, CA 94104, United States. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

No cash flow statement has been presented for the company.

Disclosures in respect of financial instruments have not been presented.

No disclosure has been given for the aggregate remuneration of key management personnel.

Revenue recognition

All turnover arises from amounts derived from the provision of goods and services falling within the company's ordinary activities after deduction of goods and services tax.

Turnover from the provision of goods and services is recognised when the risks and rewards of ownership have been transferred to the customer. The risks and rewards of ownership of goods and services are deemed to have been transferred when the goods or services are delivered to, or are collected by, the customer.

Turnover from the provision of goods and all services is only recognised when the amounts to be recognised are fixed and determinable and collectability is reasonably assured.

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & fittings - 10 - 33.3% on a straight line basis

Defined contribution plans

The company participates in a defined contribution pension scheme operated by Admenta UK Limited. The charge to the profit and loss account in respect of the scheme represents the amounts payable in the accounting period.

Taxation

The charge for taxation is based on the result for the year and takes into account 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 that result in obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Trade debtor estimation technique

Income receivable from health authorities relating to prescriptions dispensed is calculated by the prescription pricing authority rather than by the company. As a result of this evaluation process being complex and the lack of currently available commercial systems to provide a quantification of the NHS debtor there is a degree of estimation involved in determining the amounts to include within the financial statements. The process looks at the number of prescriptions dispensed together with history on the average value and mix of those prescriptions on a store by store basis. This information is input into a model to provide an estimation of the NHS debtor at any given point in time. The income is received by a sister company and recharged.

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Tangible fixed assets

Tangible fixed assets are stated at cost less provision for depreciation. Cost comprises the purchase cost together with any incidental expenses of acquisition.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Financial instruments *(continued)*

conditions of paragraphs (a) to (c).

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

3. Critical accounting judgements and key sources of estimation uncertainty

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

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

The directors have considered the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Company's accounting policies and do not consider there to be any critical accounting judgements or key sources of estimation uncertainty

4. Turnover

Turnover arises from:

	Year to 31 Mar 16 £	Period from 1 Jan 14 to 31 Mar 15 £
Sale of goods	–	1,861,467
Rendering of services	–	24,637
	–	<u>1,886,104</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit or loss is stated after charging:

	Year to 31 Mar 16 £	Period from 1 Jan 14 to 31 Mar 15 £
Depreciation of tangible assets	–	27,511
Operating lease rentals	–	57,073
Defined contribution plans expense	–	<u>1,315</u>

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

6. Auditor's remuneration

	Year to 31 Mar 16 £	Period from 1 Jan 14 to 31 Mar 15 £
Fees payable for the audit of the financial statements	—	5,000

Auditor's remuneration for the audit of the company's financial statement of £5,000 has been borne by Lloyds Pharmacy Limited, the immediate parent undertaking and not recharged. No non-audit services have been provided by the auditor during the year (2015: nil).

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016 No.	2015 No.
Selling and distribution	4	13

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to 31 Mar 16 £	Period from 1 Jan 14 to 31 Mar 15 £
Wages and salaries	—	226,496
Social security costs	—	12,431
Other pension costs	—	1,315
	—	240,242

8. Directors' emoluments

There are no directors' emoluments during the year (2015: nil).

The emoluments of Mr Willetts and Ms Hall are paid by a fellow subsidiary company, Lloyds Pharmacy Limited, which makes no recharge to the company. Mr Willetts and Ms Hall were directors of a number of fellow subsidiary companies and it is impossible to make an accurate apportionment of their emoluments in respect of each of these companies. Accordingly no emoluments in respect of Mr Willetts or Ms Hall are disclosed. Their emoluments are included in the financial statements of Lloyds Pharmacy Limited.

The emoluments of Mr Walters and Mr Minion are paid by a member of the Ashley House Plc group of companies and as above no recharge is made to the company.

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

9. Tax on profit on ordinary activities

Major components of tax expense

	Year to 31 Mar 16 £	Period from 1 Jan 14 to 31 Mar 15 £
Current tax:		
UK current tax expense	–	52,859
Adjustments in respect of prior periods	–	(4,814)
Total current tax	–	<u>48,045</u>
Deferred tax:		
Origination and reversal of timing differences	–	334
Tax on profit on ordinary activities	–	<u>48,379</u>

Reconciliation of tax expense

The tax assessed on the result on ordinary activities for the year is the same as (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 21.40%).

	Year to 31 Mar 16 £	Period from 1 Jan 14 to 31 Mar 15 £
Profit on ordinary activities before taxation	–	1,338,745
Profit on ordinary activities by rate of tax	–	286,491
Adjustment to tax charge in respect of prior periods	–	(4,814)
Effect of expenses not deductible for tax purposes	–	1,526
Other permanent differences	–	(2,631)
Income not chargeable for tax purposes	–	(232,193)
Tax on profit on ordinary activities	–	<u>48,379</u>

Factors that may affect future tax income

In November 2015, reductions to the rate of corporation tax to 19% (effective 1 April 2017) and 18% (effective 1 April 2020) were enacted. In his budget of 2016, the Chancellor of the Exchequer proposed a further reduction to the rate of corporation tax to 17% (effective 1 April 2020) which was enacted in September 2016.

10. Dividends

	2016 £	2015 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>1,366,516</u>	<u>–</u>

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

11. Debtors

	2016	2015
	£	£
Amounts owed by group undertakings	<u>112,185</u>	<u>1,530,526</u>

Amounts owed by group undertakings are unsecured, interest free loans.

12. Creditors: amounts falling due within one year

	2016	2015
	£	£
Corporation tax	<u>—</u>	<u>52,859</u>

13. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £Nil (2015: £1,315).

14. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
A Ordinary shares shares of £1 each	75	75	75	75
B Ordinary shares shares of £1 each	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The A ordinary and B ordinary shares both carry the right to one vote per share. The dividend rights of the B ordinary shares benefit in some circumstances from a guaranteed minimum entitlement. As a result, the dividend entitlement of the B ordinary shares may be higher than their basic entitlement to 25% of any proposed distribution, however, their entitlement cannot exceed 49.9% of the total distribution. After deducting the entitlement of the B ordinary shares, the A ordinary shares are entitled to the balance of the total distribution, being a minimum of 50.1% of the total distribution.

15. Reserves

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company. The full amount was transferred to retained earnings in the year.

Profit and loss account - This reserve records retained earnings and accumulated losses.

AHLP Pharmacy Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

16. Related party transactions

During the prior period, Lloyds Pharmacy Limited purchased the trade and certain assets of the company for £1,250,000 and the stock for £110,638. In addition, during the prior period, Lloyds Pharmacy Limited made a capital contribution to the company amounting to £51,209.

A dividend of £1,076,440 was paid during the year to Lloyds Pharmacy Limited and a dividend of £290,076 was paid to Ashley House plc.

A dividend of £29,621 was also paid to Ashley House plc in April 2016.

At the year end there was an outstanding non-trading balance receivable from Lloyds Pharmacy Limited of £112,185 (2015: £1,530,526).

The company made purchases of £nil (2015: £1,215,598) from AAH Pharmaceuticals Limited, a fellow group company, during the year.

17. Controlling party

The immediate parent undertaking is Lloyds Pharmacy Limited.

The ultimate parent undertaking and controlling party of the Company is McKesson Corporation, a company registered in North America.

Consolidated financial statements for the largest group of undertakings are prepared by McKesson Corporation and may be obtained from McKesson Corporation, One Post Street, San Francisco, CA 94104, United States.

Consolidated financial statements for the smallest group of companies are prepared by Celesio AG and may be obtained from Celesio AG, Neckartalstrasse 155, 70376 Stuttgart, Germany.

18. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2014.

No transitional adjustments were required in equity or profit or loss for the period.