



**Soap & Glory Limited**  
**Annual report and financial statements**  
for the year ended 31 August 2018

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# Soap & Glory Limited

## Strategic report

for the year ended 31 August 2018

### Principal activities

Soap & Glory Limited (the "Company") did not trade during the period.

### Business review

	2018 £000	2017 £000
Revenue	-	-
Operating profit	-	-
Profit for the period	-	-
Shareholders' equity	1	1

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

### Principal risks and uncertainties

The Company's Directors monitor the overall risk profile of the Company. In addition, the Directors are responsible for determining clear policies as to what the Company considers to be acceptable levels of risk. These policies seek to enable people throughout the Company to use their expertise to identify risks that could undermine performance and to devise ways of bringing them to within acceptable levels. Where the Directors identify risks that are not acceptable, they develop action plans to mitigate them with clear allocation of responsibilities and timescales for completion and ensure that progress towards implementing these plans is monitored and reported upon.

No risks have been identified in relation to the year ended 31 August 2018.

Approved by the Board and signed on its behalf by:



**A Thompson**  
Company Secretary

23 May 2019

# Soap & Glory Limited

## Directors' report

for the year ended 31 August 2018

The Directors present their report and the audited financial statements for the year ended 31 August 2018.

### Going concern

The Company is not a going concern as it has ceased to trade, thus the annual financial statements have been prepared on a basis other than going concern. For further details see note 2 in the financial statements.

### Dividends

The directors do not recommend the payment of a final dividend (2017: £36,194,000).

### Future developments

The Company will remain a holding company.

### Directors

The following served as Directors during the period and to the date of this report:

R Counsell

K Murphy

Walgreens Boots Alliance, Inc. provided qualifying third party indemnity provisions to certain directors of associated companies during the financial year and at the date of this report.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act of 2006.

Approved by the Board and signed on its behalf by:



**A Thompson**  
Company Secretary

23 May 2019

Registered office:  
1 Thane Road West  
Nottingham  
NG2 3AA

Registered in England and Wales No. 06436322

## **Soap & Glory Limited**

### **Directors' responsibilities statement**

for the year ended 31 August 2018

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), including FRS 101 "Reduced Disclosure Framework".

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 period.

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; 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 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.

## Soap & Glory Limited

### Income statement

for the year ended 31 August 2018

	Notes	2018 £'000	2017 £'000
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Distribution costs		-	-
Administrative expenses		-	-
Operating profit		-	-
Investment revenue		-	-
Finance costs		-	-
Profit before taxation		-	-
Tax	4	-	-
<b>Profit for the year</b>		-	-

The accompanying notes to the financial statements are an integral part of the Company's financial statements.

The Company has no comprehensive income and has, therefore, not included a separate statement of comprehensive income.

# Soap & Glory Limited

## Balance sheet

As at 31 August 2018 and 31 August 2017

	Notes	2018 £'000	2017 £'000
<b>Assets</b>			
<b>Current assets</b>			
Investment in subsidiaries	5	20	20
Trade and other receivables	6	1	1
		21	21
<b>Total assets</b>		21	21
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	20	20
<b>Net current assets</b>		1	1
<b>Total assets less current liabilities</b>		1	1
<b>Equity</b>			
Share capital	8	1	1
Retained earnings	9	-	-
<b>Total Equity</b>		1	1

The accompanying notes to the financial statements are an integral part of the Company's financial statements.

The financial statements of Soap & Glory Limited (registered number: 06436322) were approved by the Board of directors and authorised for issue on 23 May 2019.

For the year ending 31 August 2018, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. They were signed on its behalf by:



Director

R Counsell

## Soap & Glory Limited

### Statement of changes in equity

for the year ended 31 August 2018 and the year ended 31 August 2017

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 September 2016	1	36,194	36,195
Profit for the year and other comprehensive income	-	-	-
Dividend paid (note 10)	-	(36,194)	(36,194)
At 31 August 2017	1	-	1
Profit for the year and other comprehensive income	-	-	-
Dividend paid (note 10)	-	-	-
At 31 August 2018	1	-	1

The accompanying notes to the financial statements are an integral part of the Company's financial statements.



# Soap & Glory Limited

## Notes to the financial statements

for the year ended 31 August 2018

### 1. General information

The Company is a private company limited by shares, incorporated in the United Kingdom under the Companies Act and is registered in England and Wales.

The address of the registered office is given on page 2.

The nature of the Company's operations and its principal activities are set out in the strategic report on page 1.

### 2. Significant accounting policies

#### Basis of accounting

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are individual accounts. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Walgreens Boots Alliance, Inc. The group accounts of Walgreens Boots Alliance, Inc. are available from the Walgreens Boots Alliance website at [www.walgreensbootsalliance.com](http://www.walgreensbootsalliance.com). The principal office of the parent company preparing consolidated accounts is 108 Wilmot Road, Deerfield, Illinois, 60015, United States of America. Where relevant, equivalent disclosures have been given in the group accounts of Walgreens Boots Alliance, Inc.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 *Share based Payment*, because the share based payment arrangement concerns the instruments of another group entity;
- (b) the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- (c) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*;
- (d) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
  - (iii) paragraph 118(e) of IAS 38 *Intangible Assets*;

Comparative disclosures for the indicated standards.

- (e) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 *Presentation of Financial Statements*;
- (f) the requirements of IAS 7 *Statement of Cash Flows*;
- (g) The requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.
- (h) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*; and
- (i) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where relevant, equivalent disclosures have been given in the group accounts of Walgreens Boots Alliance, Inc.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis.

The principal accounting policies adopted are set out below.

#### Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in its strategic report.

The Company's Directors have assessed that the Company has operations that are no longer continuing. Thus the annual financial statements have been prepared on a basis other than going concern. No adjustments arose as a result of not applying the going concern basis.

#### Changes in accounting policies and disclosures

In the current year, the Company has applied the following amendments to IFRSs that were issued by the International Accounting Standards Board (IASB) and endorsed for use in the European Union and are mandatorily effective for an accounting period that begins on or after 1 January 2016. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*: The Company has adopted the amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* for the first time in the current year. The amendments provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 *Business Combinations*. Specifically, the amendments state that the relevant principles of accounting for business combinations in IFRS 3 and other standards should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation.

A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations.

# Soap & Glory Limited

## Notes to the financial statements (continued)

for the year ended 31 August 2018

### 2. Significant accounting policies (continued)

The adoption of these amendments had had no impact on the Company's consolidated financial statements.

- *Amendments to IAS 27 Equity Method in Separate Financial Statements:* The Company has adopted the amendments to *Amendments to IAS 27 Equity Method in Separate Financial Statements* for the first time in the current year. The amendments focus on separate financial statements and allow the use of the equity method in such statements. Specifically, the amendments allow an entity to account for investments in subsidiaries, associates and joint ventures in its separate financial statements:

- at cost;
- in accordance with IFRS 9 (or IAS 39 for entities that have not yet adopted IFRS 9); or
- using the equity method as described in IAS 28 *Investments in Associates and Joint Ventures*.

The same accounting must be applied to each category of investments.

The amendments also clarify that when a parent ceases to be an investment entity, or becomes an investment entity, it should account for the change from the date when the change in status occurs.

Adoption of the above has not resulted in a change to the Financial Statements of the Company.

#### Operating profit

Operating profit is stated after charging restructuring costs but before investment income and finance costs.

#### Taxation

The tax expense represents the sum of the current tax and deferred tax.

##### *Current tax*

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

##### *Deferred tax*

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

##### *Current tax and deferred tax for the period*

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### Cash and bank balances

Cash and bank balances comprises cash in hand and short term deposits with maturities of three months or less from the date of acquisition. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

### 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 assessed that there are no critical judgements or sources of estimation uncertainty in preparing the financial statements.

# Soap & Glory Limited

## Notes to the financial statements (continued)

for the year ended 31 August 2018

### 4. Tax

An analysis of the tax charge for the period is presented as follows:

	2018 £'000	2017 £'000
Corporation tax:		
UK corporation tax	-	-
Adjustments in respect of prior periods		
- UK corporation tax	-	-
<b>Tax charge for the period</b>	<b>-</b>	<b>-</b>

Corporation tax is calculated at 19% (2017: 19.6%) of the estimated taxable profit for the year.

### 5. Investments in subsidiaries

	£000
<b>Cost</b>	
At 1 September 2017	20
<b>At 31 August 2018</b>	<b>20</b>
<b>Carrying amount</b>	
At 31 August 2017	20
<b>At 31 August 2018</b>	<b>20</b>

The Company's subsidiary undertakings at 31<sup>st</sup> August 2018 are presented as follows:

	Share class	Percentage held by the Company directly	Percentage held by subsidiary undertakings	Country of incorporation	Registered office
Soap & Glory GmbH i.L.	Ordinary shares	100	Nil	Germany	Solmsstraße 73, Frankfurt am Main Germany

### 6. Trade and other receivables

	2018 £'000	2017 £'000
Amounts owed by Group undertakings	1	1

### 7. Trade and other payables

	2018 £'000	2017 £'000
Amounts owed to Group undertakings	20	20

Amounts owed to Group undertakings are unsecured, non-interest bearing and repayable on demand.

# Soap & Glory Limited

## Notes to the financial statements (continued)

for the year ended 31 August 2018

### 8. Share capital

	2018 £'000	2017 £'000
<b>Authorised</b>		
Unlimited	-	-
<b>Issued and fully paid</b>		
1,000 ordinary shares of £1 each (2017: 1,000 shares)	1	1

The Company has one class of ordinary shares which carry no right to fixed income.

### 9. Retained earnings

	£'000
At 31 August 2016	36,194
Dividends paid	(36,194)
Profit for the year	-
At 31 August 2017	-
Profit for the year	-
At 31 August 2018	-

### 10. Dividends

The Company's paid and proposed dividends are presented as follows:

	2018 £'000	2017 £'000
Amounts recognised as distributions to equity holders in the year:	-	36,194
	-	36,194

### 11. Retirement benefit schemes

#### Defined contribution scheme

In the prior year, the Company operated defined contribution retirement benefit schemes for all qualifying employees. The assets of the scheme are held separately from those of the Company in funds under the control of the trustees.

The total cost charged to the income statement of £nil (2017: £nil) represents contributions payable to these schemes by the Company at rates specified in the rules of the plans.

### 12. Related parties

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

### 13. Ultimate parent undertaking

At 31 August 2018, the Company's immediate parent company was The Boots Company Plc and its ultimate parent company and controlling party was Walgreens Boots Alliance, Inc. Walgreens Boots Alliance, Inc. is also the parent undertaking of the largest and smallest group in which the Company is consolidated. The consolidated financial statements of this group are available from the Walgreens Boots Alliance website at [www.walgreensbootsalliance.com](http://www.walgreensbootsalliance.com).

Walgreens Boots Alliance, Inc. is incorporated in the United States of America, and its principal office address is 108 Wilmot Road, Deerfield, Illinois, 60015.