

REGISTERED NUMBER 06466670 (England and Wales)

Abbreviated Audited Accounts
for the Year Ended 31 December 2011
for
Chemistree Homecare Limited

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Chemistree Homecare Limited

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for the Year Ended 31 December 2011**

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Chemistree Homecare Limited
Report of the Directors
for the Year Ended 31 December 2011

The directors present their report with the accounts of the company for the year ended 31 December 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of pharmacy homecare & wholesale of pharmaceutical products

REVIEW OF BUSINESS

The company is a wholly owned subsidiary of Gold Nuts Limited and trades as the hospital homecare division of the Group. The company also undertakes wholesaling of Pharmaceutical Products

During the year, the company had a strong growth in its sales and despite difficulties in the domestic, eurozone and the world economic climate, the company was able to maintain its margins. The company's sales grew by around 91%, its Gross profit increased by some 84% and the profit before finance costs, depreciation and tax increased by 31% compared to the previous period.

The results for the year and the financial position at the balance sheet date were considered to be satisfactory and the Board of Directors expect that the company will continue to grow in terms of its sales and profitability in the foreseeable future.

The company faces competitive and strategic risks that are inherent in the pharmaceutical market and the Board of Directors keeps future strategy under regular review to ensure that the company is able to sustain and grow its business for the foreseeable future.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2011.

FUTURE DEVELOPMENTS

Whilst the difficulties in the world and especially the eurozone economic circumstances continue, the Directors are cautiously optimistic that the company will be able to continue its growth in the foreseeable future. By streamlining its business processes and bringing efficiencies into the business through suitable IT infrastructure and staffing capabilities, the Board of Directors expect that the company will be able to ride out the domestic and international economic downturn.

DIRECTORS

The directors who have held office during the period from 1 January 2011 to the date of this report are as follows:

Samir Pravin Budhdeo - appointed 18 May 2011

Amanjit Singh Hundal and Joshy Mathew were appointed as directors after 31 December 2011 but prior to the date of this report.

Sanjay Budhdeo ceased to be a director after 31 December 2011 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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.

Chemistree Homecare Limited

Report of the Directors
for the Year Ended 31 December 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES - 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD



Samir Pravin Budhdeo - Secretary

29 September 2012

Report of the Independent Auditors to
Chemistree Homecare Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages four to thirteen, together with the full financial statements of Chemistree Homecare Limited for the year ended 31 December 2011 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 auditors' 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and 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 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 the Regulations made under that Section.



Robert Glazer BA FCA (Senior Statutory Auditor)
for and on behalf of Ripe LLP
Chartered Accountants & Statutory Auditors
9a Burroughs Gardens
London
NW4 4AU

29 September 2012

Chemistree Homecare Limited

Abbreviated Profit and Loss Account
for the Year Ended 31 December 2011

	Notes	31/12/11 £	31/12/10 £
TURNOVER		41,564,997	21,741,323
Cost of sales and other operating income		(37,987,243)	(19,764,477)
		<u>3,577,754</u>	<u>1,976,846</u>
Administrative expenses		<u>2,463,619</u>	<u>1,243,962</u>
OPERATING PROFIT	3	<u>1,114,135</u>	<u>732,884</u>
Interest receivable and similar income		<u>12</u>	<u>-</u>
		<u>1,114,147</u>	<u>732,884</u>
Interest payable and similar charges	4	<u>146,040</u>	<u>99,650</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>968,107</u>	<u>633,234</u>
Tax on profit on ordinary activities	5	<u>162,909</u>	<u>31,676</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>805,198</u></u>	<u><u>601,558</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these abbreviated accounts

Chemistree Homecare Limited

Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2011

	31/12/11 £	31/12/10 £
PROFIT FOR THE FINANCIAL YEAR	805,198	601,558
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>805,198</u>	<u>601,558</u>
Prior year adjustment		<u>17,597</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		<u>619,155</u>

The notes form part of these abbreviated accounts

Chemistree Homecare Limited**Abbreviated Balance Sheet
31 December 2011**

	Notes	31/12/11 £	£	31/12/10 £	£
FIXED ASSETS					
Intangible assets	6		-		-
Tangible assets	7		765,529		624,736
			<u>765,529</u>		<u>624,736</u>
CURRENT ASSETS					
Stocks	8	366,552		295,251	
Debtors	9	5,900,565		2,394,163	
Cash at bank and in hand		216,525		99,600	
		<u>6,483,642</u>		<u>2,789,014</u>	
CREDITORS					
Amounts falling due within one year	10	5,250,939		2,219,524	
		<u>5,250,939</u>		<u>2,219,524</u>	
NET CURRENT ASSETS			<u>1,232,703</u>		<u>569,490</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,998,232</u>		<u>1,194,226</u>
CREDITORS					
Amounts falling due after more than one year	11		502,438		503,630
			<u>502,438</u>		<u>503,630</u>
NET ASSETS			<u>1,495,794</u>		<u>690,596</u>
CAPITAL AND RESERVES					
Called up share capital	16		100		100
Profit and loss account	17		1,495,694		690,496
			<u>1,495,794</u>		<u>690,596</u>
SHAREHOLDERS' FUNDS	21		<u>1,495,794</u>		<u>690,596</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 29 September 2012 and were signed on its behalf by



Samir Pravin Budhdeo - Director



Joshy Mathew - Director

The notes form part of these abbreviated accounts

Chemistree Homecare Limited

Notes to the Abbreviated Accounts
for the Year Ended 31 December 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements

Turnover

Turnover represents net sales of goods and services, excluding value added tax

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is being amortised evenly over its estimated useful life of ten years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold property	- 2% on cost
Furniture fixtures & equipment	- 30% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Fixed price supply contract

Deferred purchases of stock are recognised in the balance sheet as a Debtor against fixed price supply contracts entered into with suppliers. Purchases and stocks are recognised in the profit and loss account upon performance under such contracts by the suppliers and upon receipt of delivery of goods against such contracts.

2 STAFF COSTS

	31/12/11	31/12/10
	£	£
Wages and salaries	<u>252,506</u>	<u>162,341</u>

Chemistree Homecare Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2011

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	31/12/11	31/12/10
Pharmacy and patient coordination	6	7
Administration and finance	3	2
	<u>9</u>	<u>9</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	31/12/11	31/12/10
	£	£
Depreciation - owned assets	17,458	17,280
Depreciation - assets on hire purchase contracts	79,138	30,783
Goodwill amortisation	-	(1)
Auditors' remuneration	1,750	1,750
Impairment losses on goodwill	-	142,060
Other services provided by auditors	4,000	-
	<u> </u>	<u> </u>
Directors' remuneration	<u> </u>	<u> </u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31/12/11	31/12/10
	£	£
Bank loan interest	6,839	7,797
Factoring charges	125,138	88,983
Hire purchase costs	14,063	2,870
	<u>146,040</u>	<u>99,650</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	31/12/11	31/12/10
	£	£
Current tax		
UK corporation tax	184,600	34,000
Over/(under) provision of tax	(11,725)	-
	<u>172,875</u>	<u>34,000</u>
Total current tax		
Deferred tax	(9,966)	(2,324)
	<u>162,909</u>	<u>31,676</u>
Tax on profit on ordinary activities		

Chemistree Homecare Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2011

6 INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 January 2011
and 31 December 2011

152,628

AMORTISATION

At 1 January 2011
and 31 December 2011

152,628

NET BOOK VALUE

At 31 December 2011

-

At 31 December 2010

-

7 TANGIBLE FIXED ASSETS

	Freehold property £	Furniture fixtures & equipment £	Motor vehicles £	Totals £
COST				
At 1 January 2011	535,996	62,978	97,453	696,427
Additions	-	-	237,389	237,389
At 31 December 2011	535,996	62,978	334,842	933,816
DEPRECIATION				
At 1 January 2011	21,085	26,243	24,363	71,691
Charge for year	7,956	11,020	77,620	96,596
At 31 December 2011	29,041	37,263	101,983	168,287
NET BOOK VALUE				
At 31 December 2011	506,955	25,715	232,859	765,529
At 31 December 2010	514,911	36,735	73,090	624,736

Included in cost of land and buildings is freehold land of £138,219 (2010 - £138,219) which is not depreciated

Chemistree Homecare Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2011

7 TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Furniture fixtures & equipment £	Motor vehicles £	Totals £
COST			
At 1 January 2011	21,399	97,453	118,852
Additions	-	225,489	225,489
At 31 December 2011	21,399	322,942	344,341
DEPRECIATION			
At 1 January 2011	6,420	24,363	30,783
Charge for year	4,493	74,645	79,138
At 31 December 2011	10,913	99,008	109,921
NET BOOK VALUE			
At 31 December 2011	10,486	223,934	234,420
At 31 December 2010	14,979	73,090	88,069

8 STOCKS

	31/12/11 £	31/12/10 £
Stocks	366,552	295,251

9 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/11 £	31/12/10 £
Trade debtors	2,224,105	1,319,784
Amounts owed by group undertakings	254,463	1,016,678
Other debtors	166,897	35,089
Fixed price supply contract	3,242,968	-
Deferred tax asset	9,966	-
Accrued income	-	18,215
Prepayments	2,166	4,397
	5,900,565	2,394,163

10 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/11 £	31/12/10 £
Bank loans and overdrafts (see note 12)	62,922	62,082
Hire purchase contracts (see note 13)	96,438	20,727
Trade creditors	234,179	208,069
Amounts owed to group undertakings	1,901,077	632,415
Corporation tax	184,600	34,000
Social security and other taxes	7,112	4,025
VAT	147,717	161,105
Other creditors	269,319	-
Amount owed to factoring company	1,361,178	671,180
Accrued expenses	986,397	425,921
	5,250,939	2,219,524

Chemistree Homecare Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2011

11	CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31/12/11	31/12/10
		£	£
	Bank loans (see note 12)	364,348	428,146
	Hire purchase contracts (see note 13)	138,090	75,484
		<u>502,438</u>	<u>503,630</u>
12	LOANS		
	An analysis of the maturity of loans is given below		
		31/12/11	31/12/10
		£	£
	Amounts falling due within one year or on demand		
	Bank loans	<u>62,922</u>	<u>62,082</u>
	Amounts falling due between one and two years		
	Bank loans - 1-2 years	<u>62,922</u>	<u>62,082</u>
	Amounts falling due between two and five years		
	Bank loans - 2-5 years	<u>188,766</u>	<u>186,246</u>
	Amounts falling due in more than five years		
	Repayable by instalments		
	Bank loans - over 5 years	<u>112,660</u>	<u>179,818</u>
13	OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS	31/12/11	31/12/10
		£	£
	Net obligations repayable		
	Within one year	96,438	20,727
	Between one and five years	138,090	75,484
		<u>234,528</u>	<u>96,211</u>

Chemistree Homecare Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2011

14 SECURED DEBTS

The following secured debts are included within creditors

	31/12/11	31/12/10
	£	£
Bank loans	427,270	490,228
Hire purchase contracts	234,528	96,211
Amounts owed to factoring co	1,361,178	671,180
	<u>2,022,976</u>	<u>1,257,619</u>

The bank loan was secured by the following -

- 1 First legal charge over the Freehold property owned by the company
- 2 A debenture over the company assets
- 3 A joint & several guarantee from the Directors, S P Budhdeo and A S Hundal for £645,000
- 4 Guarantee from a pharmaceutical supplier in respect of the company liabilities to the bank

The amount owed to factoring company was secured against the factored debts of £1,990,638 (2010 £1,038,431) contained in trade debtors as stated in the notes above

The Hire purchase creditors are secured against the financed fixed assets as stated in the notes above

15 DEFERRED TAX

	£
Accelerated capital allowances	<u>(9,966)</u>
Balance at 31 December 2011	<u>(9,966)</u>

16 CALLED UP SHARE CAPITAL

Number	Class	Nominal value	31/12/11	31/12/10
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

17 RESERVES

	Profit and loss account £
At 1 January 2011	690,496
Profit for the year	<u>805,198</u>
At 31 December 2011	<u>1,495,694</u>

18 ULTIMATE PARENT COMPANY

At the balance sheet date the company was a subsidiary of another company, Gold Nuts Limited, a company registered in England and Wales and Gold Nuts Limited was a subsidiary of Budhdeo Holdings Limited, a company registered in Guernsey

Chemistree Homecare Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2011

19 RELATED PARTY DISCLOSURES

i) The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group

ii) At the balance sheet date, following balances were held by the company in respect of it's fellow group undertaking, Digital Studio Ltd -

	31/12/11	31/12/10
	£	£
Amount owed by/to the company	72,000 Cr	34,952 Cr
Advertising, marketing and printing costs payable by the company	9,070	122,913

iii) During the year, following transactions subsisted with Leyton Orient Dispensary Limited , a company in which Directors, Samir P Budhdeo, Sanjay Budhdeo, Amarjit S Hundal and Joshy Mathew were Directors

	31/12/11	31/12/10
	£	£
Balance included in the other debtors	74,464 Dr	35,089 Dr
Purchases included in the cost of sales	9,164	4,930

iv) During the year, company paid £6,324 (2010 £Nil) for IT support & maintenance charges to Vospro Technologies Limited, a company in which the directors Sanjay Budhdeo, Samir P Budhdeo, Amarjit S Hundal and Joshy Mathew were shareholders Included in Other Debtors on the balance sheet was a balance of £19,735 (2010 £Nil) and included in Trade Creditors on the balance sheet was a balance of £7,589 (2010 £Nil) in respect of Vospro Technologies Limited

v) Included in Other Debtors on the balance sheet was an amount of £67,149 (2010 £Nil) in respect of amount owed by a company, Noviscom Limited The directors, Samir P Budhdeo, Sanjay Budhdeo, Amarjit S Hundal and Joshy Mathew were Directors and shareholders in Noviscom Limited

vi) A joint & several guarantee was given by the directors Samir P Budhdeo and Amarjit S Hundal for £645,000 (2010 £645,000) to a Bank in respect of a bank loan taken out by the company

20 ULTIMATE CONTROLLING PARTY

At the balance sheet date, the company was controlled by the directors, Samir P Budhdeo and Sanjay Budhdeo together with Pravin D Budhdeo by the virtue of their shareholdings in the ultimate parent company, Budhdeo Holdings Limited

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31/12/11	31/12/10
	£	£
Profit for the financial year	805,198	601,558
Net addition to shareholders' funds	805,198	601,558
Opening shareholders' funds	690,596	89,038
Closing shareholders' funds	1,495,794	690,596