

MERIDIAN PHARMA LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017



MERIDIAN PHARMA LIMITED
REGISTERED NUMBER:06842822

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	87,377	105,455
Tangible assets	5	89,991	98,419
		<u>177,368</u>	<u>203,874</u>
Current assets			
Stocks	6	63,258	58,557
Debtors: amounts falling due within one year	7	90,825	115,940
Cash at bank and in hand	8	279,333	183,783
		<u>433,416</u>	<u>358,280</u>
Creditors: amounts falling due within one year	9	(208,854)	(215,192)
Net current assets		<u>224,562</u>	<u>143,088</u>
Total assets less current liabilities		<u>401,930</u>	<u>346,962</u>
Provisions for liabilities			
Deferred tax		(1,606)	(2,564)
		<u>(1,606)</u>	<u>(2,564)</u>
Net assets		<u>400,324</u>	<u>344,398</u>
Capital and reserves			
Called up share capital		300,000	300,000
Profit and loss account		100,324	44,398
		<u>400,324</u>	<u>344,398</u>

MERIDIAN PHARMA LIMITED
REGISTERED NUMBER:06842822

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 July 2017.



Mr D Tanna
Director

The notes on pages 3 to 11 form part of these financial statements.

MERIDIAN PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Meridian Pharma Limited is a private limited company, registered in England and Wales with registration number 06842822. The registered office is 5th Floor, 89 New Bond Street, London, W1S 1DA.

The principal activity of the company continues to be that of a pharmacy.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 11.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

MERIDIAN PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

S/Term Leasehold Property	- over 22 years, on a straight line basis
Motor vehicles	- 25% reducing balance basis
Fixtures and fittings	- 25% reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

MERIDIAN PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.11 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

MERIDIAN PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.13 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2017	2016
	No.	No.
Employees	5	5
Directors	4	4
	9	9

MERIDIAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	180,780
At 31 March 2017	180,780
Amortisation	
At 1 April 2016	75,325
Charge for the year	18,078
At 31 March 2017	93,403
Net book value	
At 31 March 2017	87,377
At 31 March 2016	105,455

MERIDIAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. Tangible fixed assets

	S/Term Leasehold Property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2016	101,684	41,716	5,546	148,946
At 31 March 2017	101,684	41,716	5,546	148,946
Depreciation				
At 1 April 2016	18,488	28,249	3,791	50,528
Charge for the period on owned assets	4,622	3,367	439	8,428
At 31 March 2017	23,110	31,616	4,230	58,956
Net book value				
At 31 March 2017	78,574	10,100	1,316	89,990
At 31 March 2016	83,196	13,468	1,755	98,419

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Short leasehold	78,574	83,196
	78,574	83,196

6. Stocks

	2017 £	2016 £
Finished goods and goods for resale	63,258	58,557
	63,258	58,557

MERIDIAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

7. Debtors

	2017	2016
	£	£
Trade debtors	71,599	89,776
Other debtors	9,439	8,815
Prepayments and accrued income	9,787	17,349
	<u>90,825</u>	<u>115,940</u>

8. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	279,333	183,783
	<u>279,333</u>	<u>183,783</u>

9. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	77,358	84,123
Corporation tax	15,749	14,147
Other taxation and social security	-	1,034
Other creditors	110,111	110,000
Accruals and deferred income	5,636	5,888
	<u>208,854</u>	<u>215,192</u>

10. Deferred taxation

	2017	2016
	£	£
At beginning of year	(2,564)	(3,473)
Charged to profit or loss	958	909
At end of year	<u>(1,606)</u>	<u>(2,564)</u>

MERIDIAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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10. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2017	2016
	£	£
Accelerated capital allowances	(1,606)	(2,564)
	<u>(1,606)</u>	<u>(2,564)</u>

MERIDIAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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11. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 April 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 April 2015

	Note	£
Equity at 1 April 2015 under previous UK GAAP		270,667
Deferred tax		(3,473)
Equity shareholders funds at 1 April 2015 under FRS 102		267,194

Reconciliation of equity at 31 March 2016

	Note	£
Equity at 31 March 2016 under previous UK GAAP		346,962
Deferred tax		(2,564)
Equity shareholders funds at 31 March 2016 under FRS 102		344,398

Reconciliation of profit and loss account for the year ended 31 March 2016

	£
Profit for the year under previous UK GAAP	76,295
Deferred tax	909
Profit for the year ended 31 March 2016 under FRS 102	77,204

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 Deferred tax has now been recognised.