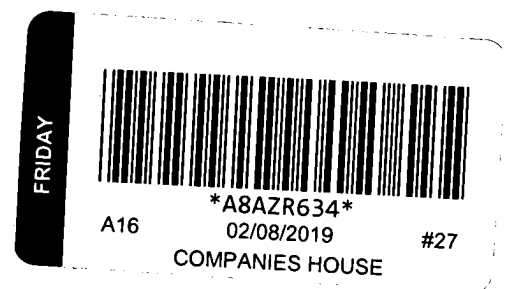


Company registration number: 01768840

# PCT Healthcare Limited

Financial Statements

for the Year Ended 30 November 2018



Abrams Ashton Limited  
Chartered Accountants and Statutory Auditors  
7 Waterside Court  
St. Helens  
Merseyside  
WA9 1UA

# PCT Healthcare Limited

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# **PCT Healthcare Limited**

## **Company Information**

**Directors** Mr J Cattee  
Mr G A Tims  
Mrs A J Cattee  
Mr P Cattee

**Company secretary** Mrs A J Cattee

**Registered office** 11 Manchester Road  
Walkden  
Manchester  
M28 3NS

**Auditors** Abrams Ashton Limited  
Chartered Accountants and Statutory Auditors  
7 Waterside Court  
St. Helens  
Merseyside  
WA9 1UA

## PCT Healthcare Limited

### Strategic Report for the Year Ended 30 November 2018

The directors present their strategic report for the year ended 30 November 2018.

#### Principal activity

The principal activity of the company is retail pharmacy.

#### Fair review of the business

During the current year the company has expanded organically with consideration to the communities in which it operates. There was 1 pharmacy subsidiary acquisition, 35 internal group pharmacy shop acquisitions and 4 pharmacy shop disposals during the current year.

The company is committed to actively work in partnership with local clinical commissioning groups in the promotion of additional healthcare services.

Quantitative measures in terms of business performance and profitability are important to shareholders and provide assurances as to the continuing stability of the organisation.

Basic KPI's (key performance indicators) which the company bases financial evaluations upon are gross profit, net profit and staff cost based. There is a direct link between profitability and branch staffing levels, which is reflected in the budgeting process.

Gross profit percentage has decreased from 31.2% in 2017 to 29.8% in 2018.

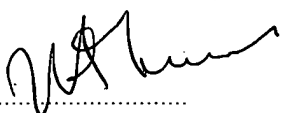
Staff remain the greatest asset, but also the largest cost to the company, amounting to £19m in 2018 and £17.4m in 2017. Staff costs as a percentage of turnover were 19.5% in 2017 and 20% in 2018.

Other costs are not significant to the profitability of the company and so are not deemed sufficient KPI's.

Company shareholders will note that the company made a loss before tax of £2,026,914 and earnings before interest, tax and depreciation (EBITDA) was £2,600,958. In the forthcoming year the company expects continued pressure on profitability due to the reduction in the overall level of government funding to pharmacies.

The company has maintained an adequate liquidity position as the company had a net bank surplus of £0.1m and net assets of £13m at the year end, whilst the group had a net bank surplus, before bank loans, of £12m.

Approved by the Board on 28/6/19 and signed on its behalf by:

  
.....  
Mr G A Tims  
Director

## **PCT Healthcare Limited**

### **Directors' Report for the Year Ended 30 November 2018**

The directors present their report and the financial statements for the year ended 30 November 2018.

#### **Directors of the company**

The directors who held office during the year were as follows:

Mr J Cattee

Mr G A Tims

Mrs A J Cattee - Company secretary and director

Mr P Cattee

#### **Financial instruments**

##### ***Objectives and policies***

The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors and loans to the company. The main purpose of these instruments is to raise funds for the company's operations and to finance them.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

##### **Employment of disabled persons**

The company's employment policies are fair and equitable and consistent with the skills and abilities of the employees and the needs of the company's business. If any employee becomes disabled, the objective is the continued provision of suitable employment either in the same or an alternative position with appropriate training if necessary.

##### **Employee involvement**

Information on matters of concern to employees is given through internal bulletins and a website which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance. Arrangements exist to consult and discuss with employees on matters likely to affect their interests.

##### **Future developments**

The company expects to consolidate its trading in the following year.

##### **Important non adjusting events after the financial period**

The company has transferred the trade, assets and liabilities from a fellow group company at their net book values comprising an additional 5 pharmacy branches.

##### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

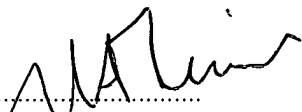
##### **Reappointment of auditors**

The auditors Abrams Ashton Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

**PCT Healthcare Limited**

**Directors' Report for the Year Ended 30 November 2018**

Approved by the Board on 28/6/19 and signed on its behalf by:

  
.....  
Mr G A Tims  
Director

## **PCT Healthcare Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual 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 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 apply them consistently;
- make judgements 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.

## **PCT Healthcare Limited**

### **Independent Auditor's Report to the Members of PCT Healthcare Limited**

#### **Opinion**

We have audited the financial statements of PCT Healthcare Limited (the 'company') for the year ended 30 November 2018, which comprise the Profit and Loss Account and Statement of Retained Earnings, Statement of Comprehensive Income, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2018 and of its loss 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **PCT Healthcare Limited**

### **Independent Auditor's Report to the Members of PCT Healthcare Limited**

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## PCT Healthcare Limited

### Independent Auditor's Report to the Members of PCT Healthcare Limited

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

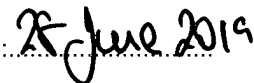
#### Use of our report

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.

 FCA

David Williams FCA (Senior Statutory Auditor)  
For and on behalf of Abrams Ashton Limited, Statutory Auditor

7 Waterside Court  
St. Helens  
Merseyside  
WA9 1UA

Date: 

**PCT Healthcare Limited**

**Profit and Loss Account and Statement of Retained Earnings for the Year  
Ended 30 November 2018**

	Note	2018 £	2017 £
Turnover	3	94,662,727	88,763,035
Cost of sales		<u>(66,432,959)</u>	<u>(61,028,169)</u>
Gross profit		28,229,768	27,734,866
Administrative expenses		(30,440,332)	(27,902,687)
Other operating income		<u>52,080</u>	<u>49,680</u>
Operating loss	4	<u>(2,158,484)</u>	<u>(118,141)</u>
Income from shares in group undertakings		130,000	130,000
Other interest receivable and similar income	5	5,235	3,230
Interest payable and similar charges	6	<u>(3,665)</u>	<u>(2,161)</u>
		<u>131,570</u>	<u>131,069</u>
(Loss)/profit before tax		(2,026,914)	12,928
Taxation	10	<u>(510,852)</u>	<u>(378,481)</u>
Loss for the financial year		(2,537,766)	(365,553)
Retained earnings brought forward		<u>15,460,065</u>	<u>15,825,618</u>
Retained earnings carried forward		<u><u>12,922,299</u></u>	<u><u>15,460,065</u></u>

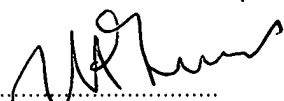
The notes on pages 11 to 24 form an integral part of these financial statements.

**PCT Healthcare Limited**

**(Registration number: 01768840)  
Balance Sheet as at 30 November 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	11	28,429,780	24,865,903
Tangible assets	12	6,157,433	5,794,023
Investments	13	1,579,222	397,102
Other financial assets	14	<u>891,710</u>	<u>891,710</u>
		<u>37,058,145</u>	<u>31,948,738</u>
<b>Current assets</b>			
Stocks	15	6,467,139	5,283,897
Debtors	16	28,048,071	29,474,994
Cash at bank and in hand		<u>202,615</u>	<u>6,869,868</u>
		34,717,825	41,628,759
<b>Creditors: Amounts falling due within one year</b>	17	<u>(58,236,944)</u>	<u>(57,631,783)</u>
<b>Net current liabilities</b>		<u>(23,519,119)</u>	<u>(16,003,024)</u>
<b>Total assets less current liabilities</b>		13,539,026	15,945,714
<b>Provisions for liabilities</b>	18	<u>(353,721)</u>	<u>(222,643)</u>
<b>Net assets</b>		<u>13,185,305</u>	<u>15,723,071</u>
<b>Capital and reserves</b>			
Called up share capital	20	263,006	263,006
Profit and loss account	21	<u>12,922,299</u>	<u>15,460,065</u>
<b>Total equity</b>		<u>13,185,305</u>	<u>15,723,071</u>

Approved and authorised by the Board on 28/6/19 and signed on its behalf by:

  
.....  
Mr G A Tims  
Director

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

#### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

11 Manchester Road  
Walkden  
Manchester  
M28 3NS  
United Kingdom

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention.

The financial statements are prepared in sterling as this is the base currency of the company.

##### Summary of disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented
- (b) No cash flow statement has been presented for this company
- (c) Disclosures in respect of financial instruments have not been presented
- (d) Disclosures in respect of share based payments have not been presented
- (e) No disclosure has been given for the aggregate remuneration of key management personnel.

##### Name of parent of group

These financial statements are consolidated in the financial statements of PCT Healthcare (Holdings) Limited.

The financial statements of PCT Healthcare (Holdings) Limited may be obtained from Companies House.

##### Exemption from preparing group accounts

The financial statements contain information about PCT Healthcare Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, PCT Healthcare (Holdings) Limited, a company incorporated in England.

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

#### Revenue recognition

Turnover comprises the fair value of the sale of goods and services. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue either at the point of sale or when the company has delivered the goods to the customer.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequent stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Short leasehold property	Straight line over the lease
Fixtures, fittings and equipment	10% and 25% straight line
Motor vehicles	25% reducing balance
Improvements to property	10% straight line

#### Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10% straight line

## **PCT Healthcare Limited**

### **Notes to the Financial Statements for the Year Ended 30 November 2018**

#### **Stocks**

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

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **Defined contribution pension obligation**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2018 £	2017 £
Sale of goods	<u>94,662,727</u>	<u>88,763,035</u>

The analysis of the company's turnover for the year by class of business is as follows:

	2018 £	2017 £
Pharmacy	<u>94,662,727</u>	<u>88,763,035</u>

#### 4 Operating loss

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	971,048	960,088
Amortisation expense	3,653,484	3,888,907
Loss/(profit) on disposal of property, plant and equipment	<u>3,340</u>	<u>(591)</u>

#### 5 Other interest receivable and similar income

	2018 £	2017 £
Interest income on bank deposits	4,597	1,964
Other finance income	<u>638</u>	<u>1,266</u>
	<u>5,235</u>	<u>3,230</u>

#### 6 Interest payable and similar expenses

	2018 £	2017 £
Interest on bank overdrafts and borrowings	<u>3,665</u>	<u>2,161</u>

#### 7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £	2017 £
Wages and salaries	17,444,960	15,895,789
Social security costs	1,318,833	1,236,557
Pension costs, defined contribution scheme	<u>266,002</u>	<u>224,574</u>
	<u>19,029,795</u>	<u>17,356,920</u>



## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2018 No.	2017 No.
Pharmacists, counter staff and drivers	994	913
Administrative staff	39	34
Management staff	4	4
	1,037	951

#### 8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	432,138	493,859

In respect of the highest paid director:

	2018 £	2017 £
Remuneration	150,522	150,522

#### 9 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	44,000	42,000

#### 10 Taxation

Tax charged/(credited) in the income statement

	2018 £	2017 £
<b>Current taxation</b>		
UK corporation tax	401,845	404,537
UK corporation tax adjustment to prior periods	(22,071)	401
	379,774	404,938
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	131,078	(26,457)
Tax expense in the income statement	510,852	378,481

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 19.33%).

The differences are reconciled below:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
(Loss)/profit before tax	<u>(2,026,914)</u>	<u>12,928</u>
Corporation tax at standard rate	(385,114)	2,499
Effect of expense not deductible in determining taxable profit (tax loss)	667,885	654,381
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	(22,071)	401
Tax increase (decrease) from effect of capital allowances and depreciation	-	17,015
Tax increase (decrease) arising from group relief	(293,086)	(295,815)
Effect of capital gains on pharmacy shop disposals	359,674	-
Acquisition of fixed assets from group company	<u>183,564</u>	<u>-</u>
Total tax charge	<u>510,852</u>	<u>378,481</u>
<b>Deferred tax</b>		
Deferred tax assets and liabilities		
		<b>Liability</b>
<b>2018</b>		<b>£</b>
Accelerated capital allowances		<u>353,721</u>
		<b>Liability</b>
<b>2017</b>		<b>£</b>
Accelerated capital allowances		<u>222,643</u>

**PCT Healthcare Limited**

**Notes to the Financial Statements for the Year Ended 30 November 2018**

**11 Intangible assets**

	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 December 2017	66,411,416	66,411,416
Transfers	9,175,809	9,175,809
Disposals	<u>(3,088,107)</u>	<u>(3,088,107)</u>
At 30 November 2018	<u>72,499,118</u>	<u>72,499,118</u>
<b>Amortisation</b>		
At 1 December 2017	41,545,513	41,545,513
Amortisation charge	3,653,484	3,653,484
Amortisation eliminated on disposals	<u>(1,129,659)</u>	<u>(1,129,659)</u>
At 30 November 2018	<u>44,069,338</u>	<u>44,069,338</u>
<b>Carrying amount</b>		
At 30 November 2018	<u>28,429,780</u>	<u>28,429,780</u>
At 30 November 2017	<u>24,865,903</u>	<u>24,865,903</u>

**12 Tangible assets**

	<b>Short leasehold property £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Improvements to property £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 December 2017	5,286,034	8,751,199	1,834,250	323,241	16,194,724
Additions	-	378,521	-	-	378,521
Transfers	-	962,627	-	3,500	966,127
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,565)</u>	<u>(54,565)</u>
At 30 November 2018	<u>5,286,034</u>	<u>10,092,347</u>	<u>1,834,250</u>	<u>272,176</u>	<u>17,484,807</u>
<b>Depreciation</b>					
At 1 December 2017	2,309,870	6,474,264	1,390,253	226,314	10,400,701
Charge for the year	201,336	686,062	61,091	22,559	971,048
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,375)</u>	<u>(44,375)</u>
At 30 November 2018	<u>2,511,206</u>	<u>7,160,326</u>	<u>1,451,344</u>	<u>204,498</u>	<u>11,327,374</u>
<b>Carrying amount</b>					
At 30 November 2018	<u>2,774,828</u>	<u>2,932,021</u>	<u>382,906</u>	<u>67,678</u>	<u>6,157,433</u>
At 30 November 2017	<u>2,976,164</u>	<u>2,276,935</u>	<u>443,997</u>	<u>96,927</u>	<u>5,794,023</u>

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

#### 13 Investments in subsidiaries, joint ventures and associates

	2018 £	2017 £
Investments in subsidiaries	<u>1,579,222</u>	<u>397,102</u>
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 December 2017		397,102
Additions		<u>1,182,120</u>
At 30 November 2018		<u>1,579,222</u>
<b>Provision</b>		
<b>Carrying amount</b>		
At 30 November 2018		<u>1,579,222</u>
At 30 November 2017		<u>397,102</u>
<b>Subsidiaries</b>		£
<b>Fair value</b>		
At 1 December 2017		397,102
Additions		<u>1,182,120</u>
At 30 November 2018		<u>1,579,222</u>

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	
		2018	2017
<b>Subsidiary undertakings</b>			
Grasmere Leigh Ltd	Ordinary	100%	100%
TV Pharmacy Ltd	Ordinary	100%	100%
Television Pharmacy Ltd	Ordinary	100%	100%
Telepharm Ltd	Ordinary	100%	100%
Freephone Pharmacy Ltd	Ordinary	100%	100%
Roy Lamb Ltd	Ordinary	100%	100%

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

The Concourse Pharmacy Ltd	Ordinary	100%	100%
Andersons Investments Ltd	Ordinary	100%	100%
St Pauls (HCC) Ltd	Ordinary	100%	100%
R H Swinn Ltd	Ordinary	100%	100%
Richard G Hardy Ltd	Ordinary	100%	100%
Swift Chemists Ltd	Ordinary	100%	100%
Medex Health Ltd	Ordinary	100%	100%
K M Brennan (Chemist) Ltd	Ordinary	100%	100%
Jayne A Hibbard Ltd	Ordinary	100%	0%

The principal activity of Grasmere Leigh Ltd and Jayne A Hibbard Ltd is retail pharmacy. All other companies are dormant.

#### 14 Other financial assets (current and non-current)

	Financial assets at cost less impairment £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 December 2017	<u>891,710</u>	<u>891,710</u>
At 30 November 2018	<u>891,710</u>	<u>891,710</u>
<b>Impairment</b>		
<b>Carrying amount</b>		
At 30 November 2018	<u><u>891,710</u></u>	<u><u>891,710</u></u>

#### 15 Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>6,467,139</u>	<u>5,283,897</u>

The cost of stocks recognised as an expense in the year amounted to £66,432,959 (2017 - £61,028,169).

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

#### 16 Debtors

	2018 £	2017 £
Trade debtors	8,900,628	7,293,589
Amounts owed by group undertakings	13,852,933	19,265,888
Other debtors	3,412,659	1,491,090
Prepayments and accrued income	1,474,279	1,023,355
Corporation tax repayable	407,572	401,072
	<u>28,048,071</u>	<u>29,474,994</u>

**PCT Healthcare Limited**

**Notes to the Financial Statements for the Year Ended 30 November 2018**

**17 Creditors**

		2018 £	2017 £
<b>Due within one year</b>			
Loans and borrowings	22	61,642	-
Trade creditors		16,274,779	10,403,442
Amounts owed to group undertakings		22,633,727	27,580,000
Social security and other taxes		482,741	357,457
Other creditors		22,898	26,489
Other loans		-	337,307
Accruals and deferred income		294,321	199,764
Directors loan accounts		<u>18,466,836</u>	<u>18,727,324</u>
		<u>58,236,944</u>	<u>57,631,783</u>

**18 Deferred tax and other provisions**

	Deferred tax £	Total £
At 1 December 2017	222,643	222,643
Additional provisions	<u>131,078</u>	<u>131,078</u>
At 30 November 2018	<u>353,721</u>	<u>353,721</u>

**19 Pension and other schemes**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £266,002 (2017 - £224,574).

Contributions totalling £22,898 (2017 - £26,489) were payable to the scheme at the end of the year and are included in creditors.

**20 Share capital**

**Allotted, called up and fully paid shares**

	2018		2017	
	No.	£	No.	£
Ordinary share of £1 each	<u>263,006</u>	<u>263,006</u>	<u>263,006</u>	<u>263,006</u>

## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

#### 21 Reserves

Profit and loss account

This reserve records retained earnings and accumulated losses

#### 22 Loans and borrowings

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Bank overdrafts	<u>61,642</u>	<u>-</u>

#### 23 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	1,852,972	1,487,445
Later than one year and not later than five years	6,726,727	5,661,367
Later than five years	<u>7,857,561</u>	<u>7,130,773</u>
	<u>16,437,260</u>	<u>14,279,585</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,889,236 (2017 - £1,657,933).

#### 24 Contingent liabilities

The company is party to a cross guarantee arrangement. The company is potentially liable for £51,461,733. The directors do not consider it likely that this guarantee will be called upon.

The company is party to a debenture including fixed charge over all present freehold leasehold property: first fixed charge over book and other debtors, chattels, goodwill and uncalled capital, both present and future, and first floating charge over all assets and undertakings both present and future.

#### 25 Related party transactions

The company is controlled by Mr P Cattee and members of his close family.

The company does not disclose details of transactions with other group companies on the grounds that consolidated accounts are publicly available.

#### Other transactions with directors



## PCT Healthcare Limited

### Notes to the Financial Statements for the Year Ended 30 November 2018

The amounts due to Mr G A Tims and Mr P Cattee at the balance sheet date were £3,134,218 and £15,332,618, respectively (2017 £3,393,206 and £15,334,118). The loans are interest free.

The company occupied premises owned by Mr P and Mrs A J Cattee. Rent paid during the year in respect of these properties amounted to £18,250 (2017 £18,250).

#### Loans to related parties

		<b>Subsidiary</b>
	<b>£</b>	<b>£</b>
<b>2018</b>		
At start of period		19,265,888
Repaid		<u>(5,412,955)</u>
At end of period		<u>13,852,933</u>
		<b>Subsidiary</b>
		<b>£</b>
<b>2017</b>		
At start of period		19,469,760
Repaid		<u>(203,872)</u>
At end of period		<u>19,265,888</u>

#### Loans from related parties

	<b>Parent</b>	<b>Subsidiary</b>
	<b>£</b>	<b>£</b>
<b>2018</b>		
At start of period	13,037,798	14,542,202
Advanced	-	4,374,402
Repaid	<u>(9,320,675)</u>	<u>-</u>
At end of period	<u>3,717,123</u>	<u>18,916,604</u>
		<b>Parent</b>
		<b>£</b>
<b>2017</b>		
At start of period	19,286,194	11,282,617
Advanced	-	3,259,585
Repaid	<u>(6,248,396)</u>	<u>-</u>
At end of period	<u>13,037,798</u>	<u>14,542,202</u>

#### Terms of loans from related parties

The loans are interest free and repayable on demand.

#### 26 Parent and ultimate parent undertaking

The company's immediate parent is PCT Healthcare (Holdings) Limited, incorporated in England and Wales.

The parent of the largest group in which these financial statements are consolidated is PCT Healthcare (Holdings) Ltd.

## **PCT Healthcare Limited**

### **Notes to the Financial Statements for the Year Ended 30 November 2018**

The address of PCT Healthcare (Holdings) Ltd is:  
11 Manchester Road, Walkden, Manchester M28 3NS.

#### **27 Non adjusting events after the financial period**

The company has transferred the trade, assets and liabilities from a fellow group company at their net book values comprising an additional 5 pharmacy branches.