

COMPANY REGISTRATION NUMBER: 00874977

**Evolution Homecare Services  
Limited**

**Financial Statements**

**31 March 2018**



# **Evolution Homecare Services Limited**

## **Financial Statements**

**Year ended 31 March 2018**

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# Evolution Homecare Services Limited

## Strategic Report

Year ended 31 March 2018

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The directors present their strategic report for the year ended 31 March 2018.

### Principal activities and business review

The principal activity of the company in the year was the supply of healthcare products and services.

On 31 July 2017 the business and assets were sold to Lloyds Pharmacy Clinical Homecare Limited, a sister company.

### Business model and future developments

Evolution Homecare Services Limited ceased trading on 31 July 2017 following the transfer of business to Lloyds Pharmacy Clinical Homecare Limited (a sister company of Evolution Homecare Services Limited). Accordingly these accounts are presented on a basis other than that of a going concern. Appropriate provisions were made in the prior year for losses for the costs of winding up the business.

### Principal risks and uncertainties

The company has ceased to trade and therefore there are no significant risks or uncertainties remaining.

### Key performance indicators (KPIs)

Given that the company has ceased to trade it is no longer appropriate to present business KPIs.

This report was approved by the board of directors on ~~27 March 2019~~ and signed on behalf of the board by:

  
M Heiger  
Director

Registered office:  
Sapphire Court  
Walsgrave Triangle  
Coventry  
CV2 2TX

# Evolution Homecare Services Limited

## Directors' Report

### Year ended 31 March 2018

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The directors present their report and the audited financial statements of the company for the year ended 31 March 2018.

#### Directors

The directors who served the company during the year and up to the date of the financial statements were as follows:

N Swift	
J Poole	(Resigned 16 January 2019)
C McDermott	
M Hilger	(Appointed 1 October 2017)
T Anderson	(Appointed 1 September 2018)
C Tobin	(Resigned 2 November 2017)
A Willetts	(Resigned 31 January 2018)
H Lipp	(Resigned 31 December 2017)
H Stables	(Resigned 25 May 2018)

#### Dividends

The directors do not recommend the payment of a dividend.

#### Going Concern

It is the intention of the directors to wind up the company following the transfer of the business to a sister company as detailed in the strategic report.

As a result of this the financial statements have been prepared on a basis other than going concern. Fixed assets have been written down to their recoverable amounts. Appropriate provisions were made in the prior year for losses for the costs of winding up the business.

#### Future developments

The company has ceased to trade following the transfer of its business and assets to Lloyds Pharmacy Clinical Homecare Limited on 31 July 2017.

#### Qualifying indemnity provision

Liability insurance, a qualifying third party indemnity provision for the purposes of the Companies Act 2006 was provided for the UK directors by McKesson Europe AG, an intermediate parent entity. On the date of approval of the financial statements liability insurance was also in force.

#### Financial risk management

As the company has ceased to trade, the financial risks are managed by fellow group company Admenta UK Limited. The management of these risks are discussed in the Admenta UK Limited financial statements.

# Evolution Homecare Services Limited

## Directors' Report *(continued)*

Year ended 31 March 2018

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### Directors' responsibilities statement

The directors are responsible 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), including FRS 102. 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; 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.

### Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on ~~27 March 2019~~ and signed on behalf of the board by:

  
M Hilger  
Director

Registered office:  
Sapphire Court  
Walsgrave Triangle  
Coventry  
CV2 2TX

# **Evolution Homecare Services Limited**

## **Independent Auditor's Report to the Members of Evolution Homecare Services Limited**

**Year ended 31 March 2018**

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### **Report on the audit of the financial statements**

#### **Disclaimer of opinion**

We do not express an opinion on the accompanying financial statements of Evolution Homecare Services Limited (the 'company'). Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We were engaged to audit the financial statements which comprise:

- the statement of income and retained earnings;
- the statement of financial position; and
- the related notes 1 to 25.

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).

#### **Basis for disclaimer of opinion**

After the cessation of trade on 31 July 2017, a number of finance staff associated with the company left the business prior to the start of the audit. As a result of the finance staff leaving the company, we were unable to obtain sufficient audit evidence and explanations for a number of transactions between 1 April 2017 and 31 March 2018 within the general ledger and we were unable to satisfy ourselves by alternative means concerning the financial result of the business for the year ended 31 March 2018. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of the statement of income and retained earnings and statement of financial position.

#### **Emphasis of matter - financial statements prepared other than on a going concern basis**

We draw attention to note 3 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

# **Evolution Homecare Services Limited**

## **Independent Auditor's Report to the Members of Evolution Homecare Services Limited** *(continued)*

**Year ended 31 March 2018**

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

Our responsibility is to conduct our audit in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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 Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

Because of the significance of the matter described in the basis for disclaimer of opinion section of our audit report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:

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

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified any material misstatements in the strategic report or the directors' report.

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

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

Under the Companies Act 2006 we are also required to report in respect of the following matters if, in our opinion:

- 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

We have nothing to report in respect of these matters.

# Evolution Homecare Services Limited

## Independent Auditor's Report to the Members of Evolution Homecare Services Limited (continued)

Year ended 31 March 2018

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### 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.

Joanna Waring

Joanna Waring (FCA) (Senior Statutory Auditor)

For and on behalf of  
Deloitte LLP  
Statutory Auditor  
Birmingham, United Kingdom

27 March 2019



# Evolution Homecare Services Limited

## Statement of Income and Retained Earnings

Year ended 31 March 2018

	Note	2018 £000	2017 £000
Turnover	5	30,372	153,461
Cost of sales		<u>(28,766)</u>	<u>(147,720)</u>
Gross profit		1,606	5,741
Distribution costs		<u>(1,716)</u>	<u>(5,994)</u>
Administrative expenses		<u>(581)</u>	<u>(1,442)</u>
Operating loss	6	<u>(691)</u>	<u>(1,695)</u>
Interest payable and similar expenses	10	<u>(1,125)</u>	<u>(1,762)</u>
Loss before taxation		<u>(1,816)</u>	<u>(3,457)</u>
Tax on loss	11	<u>341</u>	<u>244</u>
Loss for the financial year and total comprehensive income		<u>(1,475)</u>	<u>(3,213)</u>
Retained losses at the start of the year		<u>(19,228)</u>	<u>(16,015)</u>
Retained losses at the end of the year		<u>(20,703)</u>	<u>(19,228)</u>

All the activities of the company are from discontinued operations.

The notes on pages 9 to 18 form part of these financial statements.

# Evolution Homecare Services Limited

## Statement of Financial Position

31 March 2018

	Note	£000	2018 £000	2017 £000
<b>Current assets</b>				
Stocks	14	–		11,210
Debtors	15	<u>1,133</u>		<u>28,092</u>
		1,133		39,302
<b>Creditors: amounts falling due within one year</b>	16	<u>(21,550)</u>		<u>(58,309)</u>
<b>Net current liabilities</b>			<u>(20,417)</u>	<u>(19,007)</u>
<b>Total assets less current liabilities</b>			<u>(20,417)</u>	<u>(19,007)</u>
<b>Provisions</b>	17		<u>(286)</u>	<u>(221)</u>
<b>Net liabilities</b>			<u>(20,703)</u>	<u>(19,228)</u>
<b>Capital and reserves</b>				
Called up share capital	20		–	–
Retained Losses	21		<u>(20,703)</u>	<u>(19,228)</u>
<b>Shareholders' deficit</b>			<u>(20,703)</u>	<u>(19,228)</u>

These financial statements were approved by the board of directors and authorised for issue on *27 March 2019* and are signed on behalf of the board by:

  
M Hilger  
Director

Company registration number: 00874977

The notes on pages 9 to 18 form part of these financial statements.

# Evolution Homecare Services Limited

## Notes to the Financial Statements

Year ended 31 March 2018

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Sapphire Court, Walsgrave Triangle, Coventry, CV2 2TX.

The principal activity of the company in the year was the supply of healthcare products and services. Evolution Homecare Services Limited ceased trading on 31 July 2017 following the transfer of business to Lloyds Pharmacy Clinical Homecare Limited (a sister company of Evolution Homecare Services Limited).

### 2. Statement of compliance

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

### 3. Accounting policies

#### Basis of preparation

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

The financial statements have been prepared on a basis other than that of a going concern. Appropriate provisions were made in the prior year for losses for the costs of winding up the business.

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

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

#### Disclosure exemptions

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

No cash flow statement has been presented for the company.

Disclosures in respect of financial instruments have not been presented.

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

#### Revenue recognition

Revenue comprises sales of goods and services at invoice value less discounts and excluding value added tax.

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

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

# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

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### 3. Accounting policies *(continued)*

#### Revenue recognition *(continued)*

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting year.

When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

#### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the Statement of Income and Retained Earnings.

#### Operating leases

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

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

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### 3. Accounting policies *(continued)*

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

IT Software - 25% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### Depreciation

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

IT Hardware - between 20% and 25% straight line  
Fixtures & Fittings - 10% straight line

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. Stock is accounted for on the first in first out basis.

#### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

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### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

#### Defined contribution pension scheme

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the Statement of Income and Retained Earnings in the period to which they relate. These contributions are invested separately from the company's assets.

### 4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

# Evolution Homecare Services Limited

## Notes to the Financial Statements (continued)

Year ended 31 March 2018

### 5. Turnover

Turnover arises from:

	2018	2017
	£000	£000
Sale of goods	29,344	150,116
Rendering of services	1,028	3,345
	<u>30,372</u>	<u>153,461</u>

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

### 6. Operating loss

Operating loss is stated after charging:

	2018	2017
	£000	£000
Amortisation of intangible assets	–	49
Depreciation of tangible assets	–	18
Impairment of intangible assets recognised in:		
Administrative expenses	–	68
Impairment of tangible assets recognised in:		
Administrative expenses	–	32
Operating lease rentals	8	296
Foreign exchange differences	–	5
	<u>–</u>	<u>5</u>

### 7. Auditor's remuneration

	2018	2017
	£000	£000
Fees payable for the audit of the financial statements	18	18
	<u>18</u>	<u>18</u>

No non-audit services have been provided by the auditor during the year (2017: nil).

### 8. Staff costs

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

	2018	2017
	No.	No.
Administrative staff	22	74
	<u>22</u>	<u>74</u>

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

	2018	2017
	£000	£000
Wages and salaries	694	2,467
Social security costs	69	227
Other pension costs	4	42
	<u>767</u>	<u>2,736</u>

# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

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### 9. Directors' emoluments

The emoluments of all directors are paid by a fellow subsidiary company, Lloyds Pharmacy Limited, which makes no recharge to the company. All other directors of this company are also directors of a number of fellow subsidiary companies and it is impossible to make an accurate apportionment of their emoluments in respect of each of these companies. Accordingly no emoluments in respect of these directors are disclosed. Their emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of Lloyds Pharmacy Limited.

### 10. Interest payable and similar expenses

	2018	2017
	£000	£000
Interest due to group undertakings	<u>1,125</u>	<u>1,762</u>

### 11. Tax on loss

#### Major components of tax income

	2018	2017
	£000	£000
<b>Current tax:</b>		
UK current tax income	(357)	(736)
Adjustments in respect of prior periods	<u>19</u>	<u>459</u>
Total current tax	<u>(338)</u>	<u>(277)</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<u>(3)</u>	<u>33</u>
<b>Tax on loss</b>	<u>(341)</u>	<u>(244)</u>

#### Reconciliation of tax income

The tax assessed on the loss for the year is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19% (2017: 20%).

	2018	2017
	£000	£000
Loss before taxation	<u>(1,816)</u>	<u>(3,457)</u>
Loss by rate of tax	(345)	(691)
Adjustment to tax charge in respect of prior periods	<u>4</u>	<u>447</u>
<b>Tax on loss</b>	<u>(341)</u>	<u>(244)</u>



# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2018

#### 11. Tax on loss *(continued)*

##### Factors that may affect future tax income

Reductions to the rate of corporation tax to 19% (effective 1 April 2017) and 17% (effective 1 April 2020) have now been enacted. The impact of any resulting changes to the valuation of any deferred tax assets and liabilities is reflected within the financial statements.

#### 12. Intangible assets

	IT Software £000
<b>Cost</b>	
At 1 April 2017	580
Disposals	(580)
<b>At 31 March 2017</b>	<u>—</u>
<b>Amortisation</b>	
At 1 April 2017	580
Disposals	(580)
<b>At 31 March 2018</b>	<u>—</u>
<b>Carrying amount</b>	
At 31 March 2018	<u>—</u>
At 31 March 2017	<u>—</u>

Upon the cessation of trading on 31 July 2017 and the transfer of business to Lloyds Pharmacy Clinical Homecare Limited (a sister company of Evolution Homecare Services Limited), all intangibles were disposed of.

#### 13. Tangible assets

	IT Hardware £000	Fixtures and fittings £000	Total £000
<b>Cost</b>			
At 1 April 2017	114	605	719
Disposals	(114)	(605)	(719)
<b>At 31 March 2018</b>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Depreciation</b>			
At 1 April 2017	114	605	719
Disposals	(114)	(605)	(719)
<b>At 31 March 2018</b>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Carrying amount</b>			
At 31 March 2018	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2017	<u>—</u>	<u>—</u>	<u>—</u>

Upon the cessation of trading on 31 July 2017 and the transfer of business to Lloyds Pharmacy Clinical Homecare Limited (a sister company of Evolution Homecare Services Limited) at the carrying value, all tangible assets were disposed of.

# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

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### 14. Stocks

	2018	2017
	£000	£000
Finished goods and goods for resale	–	11,210

### 15. Debtors

	2018	2017
	£000	£000
Trade debtors	–	23,124
Deferred tax asset	–	56
Prepayments and accrued income	–	67
Corporation tax repayable	–	736
Other debtors	–	4,109
Amounts owed by fellow subsidiaries	1,133	–
	<u>1,133</u>	<u>28,092</u>

### 16. Creditors: amounts falling due within one year

	2018	2017
	£000	£000
Bank overdraft	7,406	21,660
Trade creditors	–	17,601
Amounts owed to group undertakings	–	2,544
Amount owed to parent	14,144	14,176
Accruals and deferred income	–	2,263
Social security and other taxes	–	65
	<u>21,550</u>	<u>58,309</u>

Amounts owed to affiliated companies are unsecured and have no fixed repayment date other than that they are payable on demand. The amounts are either interest free or attract interest equivalent to the overall cost of borrowing for the UK group of 3.85% (2017: 3.71%).

# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

### 17. Provisions

	Cessation of trade £000	Dilapidations £000	Total £000
At 1 April 2017	162	59	221
Additions	—	227	227
Disposals	(162)	—	(162)
<b>At 31 March 2018</b>	<u>—</u>	<u>286</u>	<u>286</u>

Dilapidation provisions relate to costs expected to be incurred to restore properties to their original state when vacating these, as a result of winding up the business. The estimate has been calculated in conjunction with the property team based on clauses within lease agreements.

### 18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018 £000	2017 £000
Included in debtors (note 15)	—	56

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018 £000	2017 £000
Accelerated capital allowances	—	56

### 19. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £4,000 (2017: £42,000).

### 20. Called up share capital

#### Issued, called up and fully paid

	2018		2017	
	No.	£000	No.	£000
Ordinary shares of £1 each	<u>100</u>	<u>—</u>	<u>100</u>	<u>—</u>

### 21. Reserves

Retained Losses - This reserve records retained earnings and accumulated losses.

### 22. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £000	2017 £000
Not later than 1 year	—	45

# Evolution Homecare Services Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

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### 23. Related party transactions

The company has not disclosed transactions with fellow group companies which are 100% owned, in accordance with the exemption under the terms of FRS102.33.1A - "Related party disclosures".

### 24. Transfer of trade and assets

On 31 July 2017, the business and trade of Evolution Homecare Services Limited (EHS) was transferred to Lloyds Pharmacy Clinical Homecare Limited (LPCH).

The combination was accounted for as an acquisition. Inventories of £3,537,788 were acquired by LPCH. The basis of the stock transferred was at cost. No other assets or liabilities were transferred.

The consideration paid to EHS was equal to the cost of assets inventories transferred.

### 25. Controlling party

The immediate parent undertaking is Admenta Holdings Limited.

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

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

Consolidated financial statements for the smallest group of companies are prepared by McKesson Europe AG and may be obtained from its registered address, McKesson Europe AG, Stockholmer Platz 1, 70173 Stuttgart, Germany.