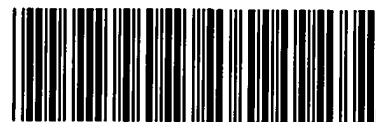


**AAH BUILDERS SUPPLIES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**AAH BUILDERS SUPPLIES LIMITED**

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**AAH BUILDERS SUPPLIES LIMITED**

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**COMPANY INFORMATION**

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**Directors**

C Keen (resigned 18 May 2022)  
W Hall (resigned 9 September 2022, appointed 11 September 2023)  
G Wiseman (appointed 7 September 2022, resigned 11 September 2023)  
D Muser (appointed 18 January 2023)

**Registered number**

00587709

**Registered office**

Sapphire Court  
Walsgrave Triangle  
Coventry  
CV2 2TX

**AAH BUILDERS SUPPLIES LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**

The Directors present their report and the financial statements for the year ended 31 March 2023.

**Principal activity**

The company has not traded during the year and previous year.

**Directors**

The Directors who served during the year were:

C Keen (resigned 18 May 2022)

W Hall (resigned 9 September 2022, appointed 11 September 2023)

G Wiseman (appointed 7 September 2022, resigned 11 September 2023)

D Muser (appointed 18 January 2023)

**Qualifying third party indemnity provisions**

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

**Going concern**

The directors are required to assess whether adequate resources are available to continue operating for a period of not less than 12 months after the issuance of these statutory financial statements. In making this assessment, the directors considered a number of factors, including our business model, our strategy, risks we are exposed to as well as opportunities in the markets in which we operate.

The directors view the development of the business over the long term, but visibility and granularity of our outlook is greatest up to July 2024, the period most relevant for this going concern assessment. For purposes of the going concern assessment and as an input into impairment assessments, the Group make estimates of likely future cash flows which are based on assumptions given the uncertainties involved. The assumptions include changes to government reimbursement levels, cost of labour and supplies and working capital movements. These assumptions are made by management based on recent performance, external forecasts and management's knowledge and expertise of the cashflow drivers.

The Company is a subsidiary of Aurelius Elephant Limited and is financed through an asset backed loan facility taken out by another Group company, Aurelius Elephant Limited, that was modified in December 2022 (the "Group's financing arrangements").

The Company is an obligor, guarantor and material subsidiary to the loan facility and is bound by the Group's financing arrangements. Therefore, although the Company is loss making and has net current assets the directors have considered the financial performance of the Group and its ability to comply with the Group's financing arrangements when assessing going concern.

The facility allows the Aurelius Elephant limited group to borrow up to £358 million to April 6, 2025, in line with the initial term. The modified loan facilities are secured on qualifying accounts receivables of certain operating subsidiaries. The interest rate is determined based on the Bank of England rate plus 3.15%. The average asset backed loan is projected to be repaid before December 2023 from proceeds of the Group's retail store optimization program.

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**AAH BUILDERS SUPPLIES LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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**Going concern (continued)**

Past retail store optimization programs provide evidence around the length of time between initiating a program and the amount and timing of proceeds realized. Recent programs were substantially completed within a year and exceeded budgeted targets. This experience, and agreements for pharmacy disposals received to date, provide the directors with confidence that the forecast proceeds will be realised. If forecast proceeds are achieved in line with the projected timeline, the asset backed loan would be repaid before December 2023.

In forming their conclusions that the Group is a going concern the Group's directors performed sensitivity analysis considering downside scenarios to reduce expected proceeds per store and timing of disposals. Headroom remains under these scenarios.

The directors considered sensitivities to the cash flow forecasts which included the amount of proceeds realized from retail store disposals and concluded that headroom would not be at risk.

The Group's directors performed a reverse stress test to identify what level of deterioration would be required to breach the liquidity and adjusted EBITDA each covenant and considers it unlikely the tests would be breached.

The Group's directors have not performed sensitivity analysis beyond December 2023 as they expect to repay debt under the asset backed loan before December 2023.

In assessing the future of certain entities in the group, management assessed the Admenta UK Limited group position and believe Admenta UK Limited and its subsidiaries will continue as a going concern.

The directors have received confirmation from the UK parent company, Admenta UK Limited, that the present intention is that intergroup debt will continue to be made available at levels sufficient to allow the company to meet its liabilities as they fall due for a period not less than 12 months from the date of approval of these financial statements. The directors have satisfied themselves that Admenta UK Limited has the necessary financial resources to provide this support during this period, should it be required.

Therefore, they have a reasonable expectation that the company has adequate resources internally and through its association with Admenta UK Limited, to continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis of accounting.

Management is considering various options for the legal entity, including a sale, which can take the form of a share or trade and assets sale. Management does not rule out cease of trade or a change in intention by Admenta UK Limited to continue to support the Company may occur.

As a result, there is a material uncertainty related to events and conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that it might be unable to realise its assets and discharge its liabilities in the normal course of business. These financial statements do not contain any adjustments that would arise if the financial statements were not presented on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

**AAH BUILDERS SUPPLIES LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Disclosure of information to auditors**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and

the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Post balance sheet events**

The Company reduced the aggregate nominal value of its share capital from £11,110 to £0.01 by reducing the nominal value per share from £1 to £0.0001 and cancelling 11,010 shares in issue on 16 August 2023.

All intercompany loans were repaid to the Company and the Company also paid an interim dividend of £7,059,400.58 to the immediate parent company Admenta Holdings Limited on 15 August 2023.

The Company was purchased by Admenta UK Limited at fair market value on 31 August 2023.

**Auditors**

Beever and Struthers, being eligible, have indicated their willingness to continue in office in accordance with section 487 of the Companies Act 2006.

This report was approved by the board on 29 November 2023

and signed on its behalf.

DocuSigned by:  
  
EQA718BBD3C5419...  
W Hall  
Director

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**AAH BUILDERS SUPPLIES LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

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The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then 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;

- 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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**AAH BUILDERS SUPPLIES LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AAH BUILDERS SUPPLIES LIMITED**

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**Opinion**

We have audited the financial statements of AAH BUILDERS SUPPLIES LIMITED (the 'Company') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 31 March 2023 and of its profit 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.



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**AAH BUILDERS SUPPLIES LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AAH BUILDERS SUPPLIES LIMITED  
(CONTINUED)**

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**Other information**

The other information comprises the information included in the annual report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**Opinion on other matters 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and  
the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters in relation to which 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; or  
the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

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**AAH BUILDERS SUPPLIES LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AAH BUILDERS SUPPLIES LIMITED  
(CONTINUED)**

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**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement 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.

**Auditors' 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 Auditors' 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.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Companies Act, pensions legislation, tax legislation and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

**AAH BUILDERS SUPPLIES LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AAH BUILDERS SUPPLIES LIMITED  
(CONTINUED)**

**Auditors' responsibilities for the audit of the financial statements (continued)**

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- material misstatement of revenue due to the estimated nature of journal entries made by management for revenue in the financial quarter. We performed substantive testing on the estimates made by management, agreeing to actual cash receipts and receipt of 3rd party information post year end. We also performed a full reconciliation of revenue recognised in the financial statements by agreeing to 3rd party information received.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in house / external legal counsel concerning actual and potential litigation and claims, and instances of non compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**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 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 and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Beever and Struthers*

Iain Round BSc FCA (Senior Statutory Auditor)

for and on behalf of  
**Beever and Struthers**

Chartered Accountants and Statutory Auditor

One Express  
1 George Leigh St  
Manchester M4 5DL  
Date: 1 December 2023

AAH BUILDERS SUPPLIES LIMITED
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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023**

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	Note	2023 £	2022 £
Income from fixed assets investments		5,687	-
Amounts written off investments		-	(2,626,786)
<b>Profit/(loss) before tax</b>		<u>5,687</u>	<u>(2,626,786)</u>
<b>Profit/(loss) for the financial year</b>		<u>5,687</u>	<u>(2,626,786)</u>
 <b>Total comprehensive income for the year</b>		 <u>5,687</u>	 <u>(2,626,786)</u>

The notes on pages 13 to 20 form part of these financial statements.

**AAH BUILDERS SUPPLIES LIMITED**  
**REGISTERED NUMBER: 00587709**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	8	-	9,685,000
Debtors: amounts falling due within one year	8	25,705,422	16,054,484
		<u>25,705,422</u>	<u>25,739,484</u>
Creditors: amounts falling due within one year	9	(18,641,521)	(18,681,270)
<b>Net current assets</b>		<u>7,063,901</u>	<u>7,058,214</u>
<b>Total assets less current liabilities</b>		<u>7,063,901</u>	<u>7,058,214</u>
<b>Net assets</b>		<u>7,063,901</u>	<u>7,058,214</u>
<b>Capital and reserves</b>			
Called up share capital	10	11,110	11,110
Profit and loss account	11	7,052,791	7,047,104
		<u>7,063,901</u>	<u>7,058,214</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 29 November 2023

DocuSigned by:  
  
 E0A718BBD3C5419...  
**W Hall**  
 Director

The notes on pages 13 to 20 form part of these financial statements.

<b>AAH BUILDERS SUPPLIES LIMITED</b>
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	11,110	7,047,104	7,058,214
<b>Comprehensive income for the year</b>			
Profit for the year	-	5,687	5,687
<b>Total comprehensive expense for the year</b>	-	5,687	5,687
<b>At 31 March 2023</b>	11,110	7,052,791	7,063,901

The notes on pages 13 to 20 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	11,110	9,673,890	9,685,000
<b>Comprehensive income for the year</b>			
Loss for the year	-	(2,626,786)	(2,626,786)
<b>Total comprehensive income for the year</b>	-	(2,626,786)	(2,626,786)
<b>At 31 March 2022</b>	11,110	7,047,104	7,058,214

The notes on pages 13 to 20 form part of these financial statements.

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<b>AAH BUILDERS SUPPLIES LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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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.

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

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Aurelius Elephant Limited. The group accounts of Aurelius Elephant Limited are available to the public and can be obtained from Companies House.

**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.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);

- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Aurelius Elephant Limited as at 31 March 2023 and these financial statements may be obtained from Companies house.

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**AAH BUILDERS SUPPLIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.3 Going concern**

The directors are required to assess whether adequate resources are available to continue operating for a period of not less than 12 months after the issuance of these statutory financial statements. In making this assessment, the directors considered a number of factors, including our business model, our strategy, risks we are exposed to as well as opportunities in the markets in which we operate.

The directors view the development of the business over the long term, but visibility and granularity of our outlook is greatest up to July 2024, the period most relevant for this going concern assessment. For purposes of the going concern assessment and as an input into impairment assessments, the Group make estimates of likely future cash flows which are based on assumptions given the uncertainties involved. The assumptions include changes to government reimbursement levels, cost of labour and supplies and working capital movements. These assumptions are made by management based on recent performance, external forecasts and management's knowledge and expertise of the cashflow drivers.

The Company is a subsidiary of Aurelius Elephant Limited and is financed through an asset backed loan facility taken out by another Group company, Aurelius Elephant Limited, that was modified in December 2022 (the "Group's financing arrangements").

The Company is an obligor, guarantor and material subsidiary to the loan facility and is bound by the Group's financing arrangements. Therefore, although the Company is loss making and has net current assets the directors have considered the financial performance of the Group and its ability to comply with the Group's financing arrangements when assessing going concern.

The facility allows the Aurelius Elephant limited group to borrow up to £358 million to April 6, 2025, in line with the initial term. The modified loan facilities are secured on qualifying accounts receivables of certain operating subsidiaries. The interest rate is determined based on the Bank of England rate plus 3.15%. The average asset backed loan is projected to be repaid before December 2023 from proceeds of the Group's retail store optimization program.

Past retail store optimization programs provide evidence around the length of time between initiating a program and the amount and timing of proceeds realized. Recent programs were substantially completed within a year and exceeded budgeted targets. This experience, and agreements for pharmacy disposals received to date, provide the directors with confidence that the forecast proceeds will be realised. If forecast proceeds are achieved in line with the projected timeline, the asset backed loan would be repaid before December 2023.

In forming their conclusions that the Group is a going concern the Group's directors performed sensitivity analysis considering downside scenarios to reduce expected proceeds per store and timing of disposals. Headroom remains under these scenarios.

The directors considered sensitivities to the cash flow forecasts which included the amount of proceeds realized from retail store disposals and concluded that headroom would not be at risk.

The Group's directors performed a reverse stress test to identify what level of deterioration would be required to breach the liquidity and adjusted EBITDA each covenant and considers it unlikely the tests would be breached.

The Group's directors have not performed sensitivity analysis beyond December 2023 as they expect to repay debt under the asset backed loan before December 2023.

In assessing the future of certain entities in the group, management assessed the Admenta UK



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**AAH BUILDERS SUPPLIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.3 Going concern (continued)**

Limited group position and believe Admenta UK Limited and its subsidiaries will continue as a going concern.

The directors have received confirmation from the UK parent company, Admenta UK Limited, that the present intention is that intergroup debt will continue to be made available at levels sufficient to allow the company to meet its liabilities as they fall due for a period not less than 12 months from the date of approval of these financial statements. The directors have satisfied themselves that Admenta UK Limited has the necessary financial resources to provide this support during this period, should it be required.

Therefore, they have a reasonable expectation that the company has adequate resources internally and through its association with Admenta UK Limited, to continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis of accounting.

Management is considering various options for the legal entity, including a sale, which can take the form of a share or trade and assets sale. Management does not rule out cease of trade or a change in intention by Admenta UK Limited to continue to support the Company may occur.

As a result, there is a material uncertainty related to events and conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that it might be unable to realise its assets and discharge its liabilities in the normal course of business. These financial statements do not contain any adjustments that would arise if the financial statements were not presented on a going concern basis.

**2.4 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**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.

**AAH BUILDERS SUPPLIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.7 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.

**2.8 Financial instruments**

The Company only enters into basic financial instrument 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;

at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The directors do not believe there are any critical judgements or key sources of estimation uncertainty in applying the Company's accounting policies in the current year.

**4. Auditors' remuneration**

Auditor's remuneration for the audit of the Company's financial statements of £4,500 (2022: £4,500) has been borne by Admenta UK Limited, a fellow group company and not recharged. No non audit services have been provided by the auditor during the year (2022: £nil).

**5. Employees**

The Company has no employees other than the Directors, who did not receive any remuneration (2022 - £NIL).

**6. Directors' remuneration**

The emoluments of all directors are paid by fellow subsidiaries, Lloyds Pharmacy Limited or AAH Pharmaceuticals Limited, which makes no recharge to the Company. All such directors 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.

**7. Taxation**

	2023 £	2022 £
<b>Total current tax</b>	-	-

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**7. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2022 - *higher than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit/(loss) on ordinary activities before tax	<u>5,687</u>	<u>(2,626,786)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	1,081	(499,089)
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	-	499,089
Dividends from UK companies	<u>(1,081)</u>	<u>-</u>
<b>Total tax charge for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>

**Factors that may affect future tax charges**

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2022 - 19%).

**8. Debtors**

	2023 £	2022 £
<b>Due after more than one year</b>		
Amounts owed by other group undertakings	<u>-</u>	<u>9,685,000</u>
	<u>-</u>	<u>9,685,000</u>
	<u><u>2023</u></u>	<u><u>2022</u></u>
	<u>£</u>	<u>£</u>
<b>Due within one year</b>		
Amounts owed by other group undertakings	<u>25,705,422</u>	<u>16,054,484</u>
	<u><u>25,705,422</u></u>	<u><u>16,054,484</u></u>

<b>AAH BUILDERS SUPPLIES LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**9. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Amounts owed to other group undertakings	18,641,521	18,681,270
	<u>18,641,521</u>	<u>18,681,270</u>

**10. Share capital**

	2023 £	2022 £
<b>Authorised</b>		
20,000 (2022 - 20,000) Ordinary shares of £1.00 each	<u><del>20,000</del></u>	<u>20,000</u>
<b>Allotted, called up and fully paid</b>		
11,110 (2022 - 11,110) Ordinary shares of £1.00 each	<u>11,110</u>	<u>11,110</u>

**11. Reserves****Profit and loss account**

This reserve records retained earnings and accumulated losses.

**12. Related party transactions**

The company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Admenta UK Limited group.

**13. Post balance sheet events**

The Company reduced the aggregate nominal value of its share capital from £11,110 to £0.01 by reducing the nominal value per share from £1 to £0.0001 and cancelling 11,010 shares in issue on 16 August 2023.

All intercompany loans were repaid to the Company and the Company also paid an interim dividend of £7,059,400.58 to the immediate parent company Admenta Holdings Limited on 15 August 2023.

The Company was purchased by Admenta UK Limited at fair market value on 31 August 2023.

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**AAH BUILDERS SUPPLIES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**14. Controlling party****During the financial year**

The immediate parent undertaking is Admenta Holdings Limited a company registered in England and Wales.

Effective with the closing of the sale by McKesson Corporation of Admenta UK Limited (of which this Company is a subsidiary) to Aurelius on April 6, 2022, the ultimate parent undertaking and controlling party of the Company is Aur Gp Holdco (UK) Limited, a company registered in the United Kingdom. The registered office address is 6th Floor, 33 Glasshouse street, London W1B 5DG.

Consolidated financial statements for the largest group of undertakings including the Company are prepared by Aurelius Crocodile Limited and may be obtained from Companies House. The registered office address is 6th Floor, 33 Glasshouse street, London W1B 5DG.

Consolidated financial statements for the smallest group including the Company are prepared by Aurelius Elephant Limited and may be obtained from Companies House. The registered office address is 6th Floor, 33 Glasshouse street, London W1B 5DG.

**Post year end**

The immediate parent undertaking is Admenta UK Limited a company registered in England and Wales.