

Ebbw Vale Consortium Limited

Directors' report and financial statements

Registered number 01338409

30 June 2020

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## Strategic report

The Directors present their annual strategic report of Ebbw Vale Consortium Limited (the 'Company') for the year ended 30 June 2020.

### Principal activities

The company was a non trading legal entity during the year.

### Business review

The results of the Company for the year are set out in the profit and loss account on page 5. Loss for the year was £nil (year ended 30 June 2019: loss of £18,000) with profit before taxation of £nil (year ended 30 June 2019: £nil). The activity of the Company was transferred on 1 July 2017 to Bestway National Chemists Limited, another company within the Well group.

### Future development and performance of the business

The activity of the Company was transferred on 1 July 2017 to Bestway National Chemists Limited, another company within the Well group. Following the transfer on 1 July 2017 the Company became a non-trading entity.

### Principal risks and uncertainties

Following the transfer of activity on 1 July 2017, the Company is not believed to have any principal risks and uncertainties.

### Key performance indicators

The Company is part of the Well Pharmacy division (the 'Well Group') of Bestway Group Limited. The key performance indicators of the Well Group which are monitored by the Directors include financial performance, growth in and engagement of members of the Well Group, growing customer loyalty and the corporate reputation of the Well Group, which is in addition to monitoring revenue and profitability of the Company.

On behalf of the Board

*K Jacob*

K R Jacob  
Director

03/06/2021

Date

Registered Office:  
Merchants Warehouse  
Castle Street  
Manchester  
M3 4LZ

## Directors' report

The Directors present their report and the unaudited financial statements for the year ended 30 June 2020.

### Dividend

During the year, the directors paid a dividend of £1,035,000 (year ended 30 June 2019: £nil).

### Directors

The Directors who held office during the year and up to the date of signing the financial statements were as follows:

S Hobbs (appointed 30 September 2019)

K R Jacob (appointed 21 January 2021)

L G Krige (appointed 30 September 2019) (resigned 21 January 2021)

J B Nuttall (resigned 30 September 2019)

The Directors benefited from third party indemnity provisions in place during the financial year and at the date of this report.

### Company Secretary:

T R J Ferguson

### Financial Risk Management

The principal financial risk of the Company relates to the generation and availability of sufficient funds to meet business needs. The policy on overall liquidity is to ensure that the Well group has sufficient funds to facilitate all on-going operations.

### Corporate governance

The Company is an indirect subsidiary of Bestway Panacea Holdings Limited. The Directors sit on the Well Businesses Board who determine the major operating decisions of this Company.

The Board meets monthly and reviews operating performance against the strategic business plan and detailed management budgets. This strategic business plan incorporates all aspects of strategy and associated risks; all proposals for contract variations are vetted before approval against the plan. The Board reserves its own decision on contractual expenditure above a certain amount and associated funding.

The Board, after seeking appropriate external advice, decides upon the accounting policies which are appropriate for the Company and ensures they are consistently applied. The Board has instigated a rigorous process of internal control, under the discipline of contractual agreements, in order to safeguard the outcomes for the Company in terms of operational performance, financial control, legal and regulatory compliance provisions for risk factors and longer term relationships.

### Political contributions

The Company has made no political donations during the year (year ended 30 June 2019: £nil).

### Going concern

The financial statements are prepared on a going concern basis which the Directors believe to be appropriate for the following reasons. The Company had net assets of £1,000 as at 30 June 2020 (year ended 30 June 2019: £1,036,000). Based on this the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

## Statement of Directors' responsibilities in respect of the Strategic Report, Directors' report and the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 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.

### Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the 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.

On behalf of the Board

*K. Jacob*

K R Jacob  
Director

03/06/2021

Date

Registered Office:  
Merchants Warehouse  
Castle Street  
Manchester  
M3 4LZ

**Profit and Loss Account**  
for the year ended 30 June 2020

	Note	Year ended 30 June 2020 £'000	Year ended 30 June 2019 £'000
Revenue		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Administrative expenses		-	-
<b>Profit before taxation</b>		-	-
Taxation	2	-	(18)
<b>Profit/(Loss) for the financial year</b>		-	(18)

The activity of the Company was transferred on 1 July 2017 to another company within the Well group, namely Bestway National Chemists Limited.

The Company has no recognised income or expenses in the current or prior period other than those included in the profit and loss account shown above.

The notes on pages 8 to 10 form part of these Financial Statements.

**Balance Sheet**  
**at 30 June 2020**

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Current assets</b>					
Trade and other receivables	3	1		1,036	
<b>Total current assets</b>		<u>1</u>		<u>1,036</u>	
<b>Net Assets</b>			<u>1</u>		<u>1,036</u>
<b>Equity</b>					
Called up share capital	4		-		-
Retained earnings			1		1,036
<b>Total equity</b>			<u>1</u>		<u>1,036</u>

For the year ending 30 June 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

**Directors' responsibilities:**

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 8 to 10 form part of these Financial Statements.

These financial statements on pages 5 to 10 were approved by the Board of Directors on signed on its behalf by:

3 June 2021

and were

*K. Jacob*

03/06/2021

K R Jacob  
Director

Company registered number: 01338409

**Statement of changes in equity**  
*for the year ended 30 June 2020*

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance at 1 July 2019	-	1,036	1,036
Dividends paid	-	(1,035)	(1,035)
Loss for the financial year	-	-	-
<b>Balance at 30 June 2020</b>	<b>-</b>	<b>1</b>	<b>1</b>
Balance at 1 July 2018	-	1,054	1,054
Loss for the financial year	-	(18)	(18)
<b>Balance at 30 June 2019</b>	<b>-</b>	<b>1,036</b>	<b>1,036</b>

All items are shown net of tax.

The notes on pages 8 to 10 form part of these Financial Statements.



## Notes to the Financial Statements

### 1 Accounting policies

#### Reporting entity

Ebbw Vale Consortium Limited (the Company) is a private Company limited by shares and domiciled in England and Wales. The address of the Company's registered office is Well, Merchants Warehouse, Castle Street, Manchester, M3 4LZ.

#### Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101') under the historical cost convention.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's parent undertaking, Bestway Panacea Holdings Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Bestway Panacea Holdings Limited, which are prepared in accordance with International Financial Reporting Standards, are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' - comparative information requirements in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1 a reconciliation of share capital;
  - (ii) paragraph 73(e) of IAS 16, 'Property, plant and equipment' a reconciliation of fixed assets;
  - (iii) paragraph 118(e) of IAS 38, 'Intangible assets' a reconciliation of intangible assets.
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) a statement of cash flows for the period;
  - 16 a statement of compliance with all IFRS;
  - 38A a requirement for a minimum of two primary statements, including cash flow statements;
  - 111 cash flow statement information; and
  - 134-136 capital management disclosures.
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from Contracts with Customers'
- Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Paragraphs 91 to 99 of IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

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.

#### New standards implemented in the year

IFRS 16 has been implemented during the year. Please refer to note 9 for the impact of this implementation.

#### Going concern

The financial statements are prepared on a going concern basis which the Directors believe to be appropriate. The Company had net assets as at 30 June 2020. Based on this the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Impairment

The carrying amount of the Company's assets, other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

The recoverable amount of the Company's assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In respect of these assets, an impairment loss is reversed if there has been a change in the estimates based on an event subsequent to the initial impairment used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

**Taxation**

Income tax on the profit or loss for the year comprises current tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

2 Taxation

	Year ended 30 June 2020 £'000	Year ended 30 June 2020 £'000	Year ended 30 June 2019 £'000	Year ended 30 June 2019 £'000
<i>Analysis of credit in year</i>				
<i>Current tax</i>				
UK corporation tax at 19% (2019: 19%)	-	-	-	-
Adjustments in respect of prior periods	-	-	18	-
Total current tax charge	-	-	18	18
<i>Deferred tax</i>				
Adjustments in respect of prior periods	-	-	-	-
Total deferred tax charge	-	-	-	-
Tax charge on profit before tax	-	-	18	18

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was enacted on 18 November 2015. In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020.

Accordingly, the Company's profits for this accounting year are subject to tax at a rate of 19% (2019: 19%). The deferred tax balance at 30 June 2020 has been calculated based on these rates.

	Year ended 30 June 2020 £'000	Year ended 30 June 2019 £'000
<i>Current tax reconciliation</i>		
Profit before tax	-	-
Current tax at 19% (2019: 19%)	-	-
<i>Effects of:</i>		
Adjustments to tax charge in respect of previous periods	-	18
Total tax charge (see above)	-	18

Notes to the Financial Statements (continued)

3 Trade and other receivables

	2020 £'000	2019 £'000
<i>Current assets:</i>		
Amounts owed by group undertakings	1	1,036
	<u>1</u>	<u>1,036</u>

The Company calculates the expected credit losses using the IFRS 9 simplified approach model. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. No credit losses have been identified.

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. The repayment strategy of the amounts owed by group undertakings has been reviewed and concluded that no impairment is required.

4 Called up share capital

	2020 £'000	2019 £'000
<i>Allotted, called up and fully paid</i>		
100 (2019: 100) Ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>

5 Commitments

There are no capital commitments at the end of the current and preceding financial years.

6 Contingent liabilities

The Company had no contingent liabilities at 30 June 2020.

7 Ultimate parent company

**Control of the group**

The immediate parent undertaking of the Company is Bestway National Chemists Limited (registered address: Well, Merchants Warehouse, Castle Street, Castlefield, Manchester, England, M3 4LZ) and the ultimate parent undertaking and controlling party of this Company is Bestway Group Limited (registered address: 2 Abbey Road, Park Royal, London, NW10 7BW).

The largest and smallest group in which the results of the company are consolidated is that headed by Bestway Panacea Holdings Limited. Copies of the group financial statements are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

8 Related parties

**Identity of related parties**

The Company has a related party relationship with its subsidiaries, associates, and with its Directors and key management. The Company has taken advantage of exemptions conferred by FRS 101 not to disclose transactions and amounts due to and from fellow group companies that are wholly owned by the ultimate parent company.

9 IFRS Adoption

The Company has adopted IFRS 16 during the year. There has been no financial impact as a result of the adoption of IFRS 16.