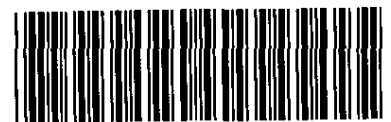

TAYZANA LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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TAYZANA LIMITED

COMPANY INFORMATION

Directors	Mr T Mohamedbhai Miss H Patel Mr J C Patel
Company secretary	Miss H Patel
Registered number	02022221
Registered office	2 Peterwood Way Croydon Surrey CR0 4UQ

TAYZANA LIMITED

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TAYZANA LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The Directors present their report and the financial statements for the year ended 31 March 2022.

Principal activity

The principal activity of the Company continued to be that of retail chemists and druggists.

Dividends

The profit for the year, after taxation, amounted to £660,000 (2021 - £340,000).

The Directors recommend a final dividend of £204,000 to be paid for the year (2021 - £204,000).

Directors

The Directors who served during the year were:

Mr T Mohamedbhai

Miss H Patel

Mr J C Patel

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Mr J C Patel

Director

Date: 13 September 2022

2 Peterwood Way
Croydon
Surrey
CR0 4UQ

TAYZANA LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £000	2021 £000
Turnover	4	5,860	5,596
Cost of sales		(3,591)	(3,756)
Gross profit		2,269	1,840
Administrative expenses		(1,465)	(1,443)
Other operating income	5	12	24
Operating profit	6	816	421
Interest receivable and similar income		24	8
Interest payable and similar expenses		-	(3)
Profit before tax		840	426
Tax on profit	8	(180)	(86)
Profit for the financial year		660	340

There were no recognised gains and losses for 2022 or 2021 other than those included in the Profit and Loss Account.

TAYZANA LIMITED
REGISTERED NUMBER:02022221

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	10	1,256	1,270
Tangible assets	11	400	403
Investments	12	280	280
		<u>1,936</u>	<u>1,953</u>
Current assets			
Stocks	13	262	301
Debtors: amounts falling due within one year	14	1,993	969
Cash at bank and in hand	15	362	513
		<u>2,617</u>	<u>1,783</u>
Creditors: amounts falling due within one year	16	(3,114)	(2,780)
		<u>(497)</u>	<u>(997)</u>
Net current liabilities			
		<u>1,439</u>	<u>956</u>
Total assets less current liabilities			
Provisions for liabilities			
Deferred tax	18	(76)	(49)
		<u>1,363</u>	<u>907</u>
Net assets			
		<u>1,363</u>	<u>907</u>
Capital and reserves			
Called up share capital	19	-	-
Profit and loss account	20	1,363	907
		<u>1,363</u>	<u>907</u>

TAYZANA LIMITED
REGISTERED NUMBER:02022221

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Mr J C Patel
Director

Date: 13 September 2022

The notes on pages 6 to 21 form part of these financial statements.

TAYZANA LIMITED

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

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 April 2021	-	907	907
Comprehensive income for the year			
Profit for the year	-	660	660
Total comprehensive income for the year	-	660	660
Dividends: Equity capital	-	(204)	(204)
At 31 March 2022	-	1,363	1,363

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 April 2020	-	771	771
Comprehensive income for the year			
Profit for the year	-	340	340
Total comprehensive income for the year	-	340	340
Dividends: Equity capital	-	(204)	(204)
At 31 March 2021	-	907	907

The notes on pages 6 to 21 form part of these financial statements.

TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Tayzana Limited (the "Company") is a private company limited by shares and incorporated, domiciled and registered in England in the United Kingdom. The address of the registered office is given on the Company Information page. The nature of the Company's operations and its principal activities are set out in the Director's Report.

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 functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling and rounded to the nearest £'000.

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 FRS 102:

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

This information is included in the consolidated financial statements of Day Lewis Plc as at 31 March 2022 and these financial statements may be obtained from 2 Peterwood Way, Croydon, Surrey, CR0 4UQ.

TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Going concern

In assessing the validity of the going concern basis, and taking account of reasonably plausible downsides, the Directors have prepared financial forecasts for the period until 31 March 2024. In doing so they have considered the level of bank facilities available to the parent company and the Group, and its compliance with bank covenant tests both during the period and for the period ahead. In September 2020, the Company refinanced its finance facility with 4 banks and now have in place a RCF facility of £125m (reduced to £110m) until at least September 2023 (being agreed until September 2024).

Those forecasts are dependent on the Company's immediate parent company Day Lewis Plc and a fellow subsidiary Day Lewis Medical Limited not seeking repayment of the amounts currently due to the Group, which at 31 March 2022 amounted to £2,228k. Day Lewis Plc and Day Lewis Medical Limited have indicated that they do not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Having considered the Company's financial forecasts and investment and financing commitments for the period until 31 March 2024 (including the downside scenario, increase in cost and interest rates), the Directors believe the Company has sufficient current and future cash reserves and facilities available for it to meet its liabilities, including financing obligations, whilst in compliance with its banking covenants for at least eighteen months from the signing of the financial statements.

Having considered the above, the Directors conclude that it is appropriate to adopt the going concern basis of accounting because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied services during the year, exclusive of Value Added Tax and trade discounts.

2.5 Operating leases: the Company as lessor

Rental income from operating leases is credited to the Profit and Loss Account on a straight-line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight-line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.6 Operating leases: the Company as lessee

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

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

TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

2.10 Intangible assets

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

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

The estimated useful lives range as follows:

Retail pharmacy licence	-	100	years
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TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Leasehold Property	- over the period of the lease
Fixtures, fittings and equipment	- 15% reducing balance

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

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

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the year. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the year.

2.13 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.14 Stocks

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

At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Profit and Loss Account.

2.15 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.

TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.16 Cash and cash equivalents

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

2.17 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.

2.18 Provisions for liabilities

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

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

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

2.19 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 Profit and Loss Account 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 year for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.19 Financial instruments (continued)

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.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

In the application of the Company's accounting policies, which are described in note 2, 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Company's accounting policies that have had the most significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty - impairment of retail pharmacy licences

Determining whether retail pharmacy license is impaired requires an estimation of the value in use of the cash-generating units to which retail pharmacy license has been allocated. The impairment value is based on applicable discount rate and turnaround plan for cash-generating units that may have been impaired. The carrying amount of retail pharmacy license at the Balance Sheet date was £1.3m (2021- £1.3m) after an impairment loss of £nil was recognised during the year (2021- £nil).

Key source of estimation uncertainty - useful life of retail pharmacy licences

The Directors believe that the right for dispensing UK NHS prescriptions, being the pharmacy licence which is attached to a particular pharmacy, has a continuing value. Such rights, conferred by the Department of Health as contracts to dispense prescriptions, are not generally granted to new pharmacies in the same locality. Consequently the Directors consider that the value of retail pharmacy licences have a long life of 100 years and therefore are amortised over that period.

4. Turnover

The whole of the turnover is attributable to be that of retail pharmacy.

Analysis of turnover by country of destination:

	2022 £000	2021 £000
United Kingdom	5,860	5,596
	<u>5,860</u>	<u>5,596</u>

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Other operating income

	2022	2021
	£000	£000
Net rents receivable	12	24
	<u>12</u>	<u>24</u>

6. Operating profit

The operating profit is stated after charging:

	2022	2021
	£000	£000
Depreciation of tangible fixed assets	39	48
Amortisation of intangible assets, including goodwill	14	14
Other operating lease rentals	113	282
	<u>166</u>	<u>344</u>

7. Employees

	2022	2021
	£000	£000
Wages and salaries	880	770
Social security costs	83	68
Cost of defined contribution scheme	18	18
	<u>981</u>	<u>856</u>

The Company does not have any of its own employees by virtue of the fact that contracts of employment for employees within the Group are in the name of the parent company, Day Lewis Plc. Day Lewis Plc makes a recharge to the Company for the proportion of staff costs relating to time spent by Day Lewis Plc staff on the Company's affairs. These staff costs are disclosed above.

Furthermore, all pension arrangements are operated by Day Lewis Plc, hence the company itself does not have any pension commitments.

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Taxation

	2022 £000	2021 £000
Corporation tax		
Current tax on profits for the year	153	83
Total current tax	<u>153</u>	<u>83</u>
Deferred tax		
Origination and reversal of timing differences	10	3
Changes to tax rates	18	-
Prior year adjustment	(1)	-
Total deferred tax	<u>27</u>	<u>3</u>
Taxation on profit on ordinary activities	<u>180</u>	<u>86</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Profit on ordinary activities before tax	<u>840</u>	<u>426</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	160	81
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	2	1
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3	5
Tax rate changes	18	-
Deferred tax prior year credit	(1)	-
Other tax adjustments	(2)	(1)
Total tax charge for the year	<u>180</u>	<u>86</u>

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Taxation (continued)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021.

The UK deferred tax asset/(liability) as at 31 March 2022 was calculated at 25% (2021- 19%).

9. Dividends

	2022	<i>2021</i>
	£000	<i>£000</i>
Dividends paid	204	<i>204</i>
	<u>204</u>	<u><i>204</i></u>

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Intangible assets

	Retail pharmacy licences £000
Cost	
At 1 April 2021	1,364
	<hr/>
At 31 March 2022	1,364
	<hr/>
Amortisation	
At 1 April 2021	94
Charge for the year on owned assets	14
	<hr/>
At 31 March 2022	108
	<hr/>
Net book value	
At 31 March 2022	1,256
	<hr/> <hr/>
At 31 March 2021	1,270
	<hr/> <hr/>

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Tangible fixed assets

	Leasehold Property £000	Fixtures and fittings £000	Total £000
Cost			
At 1 April 2021	359	637	996
Additions	-	36	36
At 31 March 2022	<u>359</u>	<u>673</u>	<u>1,032</u>
Depreciation			
At 1 April 2021	102	491	593
Charge for the year on owned assets	16	23	39
At 31 March 2022	<u>118</u>	<u>514</u>	<u>632</u>
Net book value			
At 31 March 2022	<u>241</u>	<u>159</u>	<u>400</u>
At 31 March 2021	<u>257</u>	<u>146</u>	<u>403</u>

12. Fixed asset investments

	Unlisted investments £000
Cost	
At 1 April 2021	280
At 31 March 2022	<u>280</u>

The unlisted investment is a Loan Note convertible into equity at the end of loan term.

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Stocks

	2022	2021
	£000	£000
Finished goods and goods for resale	262	301
	<u>262</u>	<u>301</u>

Stock recognised in cost of sales during the year as an expense was £3,591k (2021 - £3,756k).

An impairment loss of £nil (2021 - £nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

14. Debtors

	2022	2021
	£000	£000
Trade debtors	48	30
Amounts owed by group undertakings	1,831	850
Other debtors	33	55
Prepayments and accrued income	81	34
	<u>1,993</u>	<u>969</u>

15. Cash and cash equivalents

	2022	2021
	£000	£000
Cash at bank and in hand	362	513
	<u>362</u>	<u>513</u>

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	457	462
Amounts owed to group undertakings	2,228	1,703
Corporation tax	153	83
Other creditors	226	2
Provisions for liabilities	-	242
Government grants repayable	-	169
Accruals and deferred income	50	119
	<u>3,114</u>	<u>2,780</u>

17. Financial instruments

	2022	2021
	£000	£000
Financial assets		
Financial assets measured at fair value	362	513
Financial assets measured at amortised cost	1,993	968
	<u>2,355</u>	<u>1,481</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(2,961)</u>	<u>(2,696)</u>

18. Deferred taxation

	2022	2021
	£000	£000
At beginning of year	(49)	(46)
Charged to Profit and Loss Account	(27)	(3)
At end of year	<u>(76)</u>	<u>(49)</u>

TAYZANA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2022	2021
	£000	£000
Accelerated capital allowances	(14)	(5)
Deferred tax on retail pharmacy licences	(62)	(44)
	<u>(76)</u>	<u>(49)</u>

19. Share capital

	2022	2021
	£000	£000
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1.00 each	<u>-</u>	<u>-</u>

20. Reserves

Profit and loss account

The Profit and Loss Account reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

21. Contingent liabilities

The Company is a party to intra-group cross guarantees in respect of bank borrowing within the Group, including unlimited inter-company guarantees supported by legal charges over various properties and other respective associated assets.

22. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£000	£000
Ending not later than 1 year	138	126
Ending later than 1 year and not later than 5 years	384	398
Ending later than 5 years	475	555
	<u>997</u>	<u>1,079</u>

TAYZANA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

23. Related party transactions

During the year the Company made purchases totalling £1,656,816 (2021 - £1,485,046) from and made sales totalling £nil (2021 - £288,625) to Day Lewis Medical Limited, a fellow subsidiary of the Company's parent company Day Lewis Plc. As at 31 March 2022 the Company owed £1,831,084 (2021 - £455,260) to Day Lewis Medical Limited.

A total of £1,298,920 (2021 - £1,413,258) worth of expenses paid by the Day Lewis Plc, a parent company on behalf of the Company. The Company recharged £nil (2021 - £937) worth of expenses paid on behalf of the Day Lewis Plc. As at 31 March 2022 the Company owed £2,228,055 (2021 - £1,247,494) to Day Lewis Plc.

The Company recharged £nil (2021 - £19,535) worth of expenses paid on behalf of ABC Drug Stores Limited, a fellow subsidiary of the Company's parent company Day Lewis Plc. £nil (2021 - £3,363) worth of expenses paid by ABC Drug Stores Limited on behalf of the Company. As at 31 March 2022, ABC Drug Stores Limited owed £322 (2021 - £850,601) from the Company.

During the year, the Company purchased goods totalling £20,224 (2021 - £5,685) from Eaststone Limited. The KCTP Will Trust has material interest in the company. At the year end the balance outstanding to Eaststone Limited was £1,241 (2021 - £4,051).

Rent of £33,675 (2021 - £22,800) was paid to Tayzana Pension Fund in respect of a property occupied by the Company. As at 31 March 2022 the Company owed £nil (2021 - £nil).

24. Controlling party

The Company's immediate parent company is Day Lewis Plc, a company registered in England and Wales. It prepares Group accounts which are available at Day Lewis House, 2 Peterwood Way, Croydon, Surrey CR0 4UQ.

The ultimate parent company is Day Lewis Holdings Limited, a company registered in Cyprus and controlled by the KCTP Will Trust.