

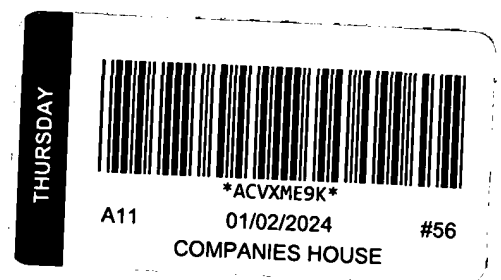
MWI Buying Group Limited

Company Registration No. 02617906

MWI BUYING GROUP LIMITED

Annual Report and Financial Statements

For the Year Ended 30 September 2023



ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J F Cleary Jr
D J Tinsley
S D Shell

COMPANY SECRETARY

G J Burley

REGISTERED OFFICE

Centaur House
Torbay Road
Castle Cary
Somerset
United Kingdom
BA7 7EU

BANKERS

Wells Fargo
One Plantation Place
30 Fenchurch Street
London
United Kingdom
EC3M 3BD

SOLICITORS

Osborne Clarke LLP
2 Temple Back East
Temple Quay
Bristol
United Kingdom
BS1 6EG

AUDITORS

Ernst & Young LLP
The Paragon
Counterslip
Bristol
United Kingdom
BS1 6BX

DIRECTORS REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2023.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of a buying operation of veterinary products together with associated products and services for veterinary practices. MWI Buying Group Limited is a veterinary buying group with nearly 500 members. MWI Buying Group Limited have rebate terms in place with the majority of the manufacturers of veterinary supplies. Rebates are paid in full to members. MWI Buying Group Limited charge a monthly administration fee based on a percentage of member purchases.

REVIEW OF THE BUSINESS

The company is expected to continue these activities during the next year. The profit for the year, after tax, amounted to £781,035 (2022: £1,418,470).

DIVIDENDS

No dividends will be paid for the period ended 30 September 2023 (2022 - £nil).

GOING CONCERN

Based on the company's forecasts and its continued growth in market share, the Directors have adopted the going concern basis in preparing the financial statements.

The company is part of a Group, and the primary trading company, Centaur Services Limited, has provided the Company with an undertaking from the date of approval of these Financial Statements, for the period to 31 January 2025 (the going concern period), that they will continue to provide support to enable the company to meet its liabilities.

UKRAINE WAR / INFLATION

The full-scale attack on the entire territory of Ukraine launched by Russia (with the support of Belarus) on February 24th, marked the start of the 2022 Ukraine War. The EU, the USA, Great Britain and other countries reacted to the attack with severe sanctions against Russia, Belarus and the separatist areas in eastern Ukraine.

MWI Buying Group Limited is not actively involved in the countries involved in the war. Ukraine as well as Russia and Belarus are not target countries of MWI Buying Group Limited nor are there any locations in the aforementioned countries. Against this background, MWI Buying Group Limited currently does not expect any significant effects on the business development nor the situation of the company or the group.

Nevertheless, there are economic consequences of the war and the sanctions imposed (shortages / increases in price of oil, gas and raw materials) that lead to high inflation rates all over the world. The shut-down of economic activity during the Corona crisis which had also led to some financial losses for our customers showed, that there wasn't an increase in cancellations or bad debt ratios, underscoring that our business model is largely crisis-proof.

Therefore, the management believe, that the business model and the company itself will not be affected materially.

DIRECTORS

The directors who held office during the year, together with those subsequently appointed, were:

J F Cleary Jr
D J Tinsley
S D Shell

COMPANY SECRETARY

G J Burley

DIRECTORS REPORT (Continued)

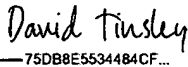
AUDITORS

In the case of each of the persons who are directors of the company at the date when this report is approved:

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

The report of the directors has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Approved by the Board and signed on behalf of the Board

DocuSigned by:

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D J Tinsley

Director

Date: 24 January 2024

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MWI BUYING GROUP LIMITED

Opinion

We have audited the financial statements of MWI Buying Group Limited for the year ended 30 September 2023 which comprise the Statement of income, the Statement of changes in equity, the Balance sheet and the related notes 1 to 18, 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 FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 through to 31 January 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 this report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MWI BUYING GROUP LIMITED (Continued)

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 strategic report or 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MWI BUYING GROUP LIMITED (Continued)

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

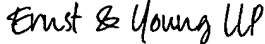
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice, Companies Act 2006, Data Protection Act 1998, Health and Safety at Work Act 1974, UK Bribery Act, Equality Act, Anti-Money Laundering Regulations and UK direct and indirect tax legislation.
- We understood how MWI Buying Group Limited is complying with those frameworks by making enquiries of those charged with governance and management to understand how the company maintains and communicates its policies and procedures in these areas. We evaluated management procedures through discussions, inspections, and observations in the control environment to understand procedures implemented by management to reduce the opportunities for fraudulent transactions and non-compliance with laws and regulations, including the extent of oversight of those charged with governance. We performed procedures to corroborate these inquiries through reading minutes of the board meetings, reading communications from the relevant regulatory agencies and making enquiries with the management for any correspondence of non-compliance with the relevant tax authorities and other regulatory bodies, and noted no significant issues. We performed journal entry testing to ensure that there are no unusual legal or penalty expenses incurred during the year and to ensure that the management is in compliance with the applicable framework.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by inquiring with management, discussing within the audit team how fraud might occur resulting from information from our testing and work, performing client acceptance/continuance procedures, identifying related parties including circumstances related to the existence of a related party with a dominant influence, evaluating entity level controls and making inquiries of senior management, and performing a walkthrough of the financial statement closing process to understand procedures in place for the review and approval of any manual journal entry postings. We determined revenue recognition to be a fraud risk due to management override of controls, therefore we tested manual journal entries posted to revenue, focusing on journals around the year end and performed year end cut off procedures. Further, we performed overall analytical procedures to assess the fairness of the overall financial performance and the position as at and for the year ended. In relation to management override we used data analytics to sample from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria, tested higher risk journal entries and performed audit procedures to address the potential for management bias, particularly over areas involving significant estimation and judgement, to investigate to gain an understanding of the nature of the transaction and basis of estimation, if any, and agree to source documentation.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures included ensuring that material transactions are recorded in compliance with FRS 101 and where appropriate the Companies Act 2006. Compliance with other operational laws and regulations was covered through our inquiry and inspection of certifications with no indication of non-compliance identified.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MWI BUYING GROUP LIMITED
(Continued)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Paul Mapleston (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

24 January 2024

STATEMENT OF INCOME

Year Ended 30 September 2023

	Note	2023 £	2022 £
REVENUE	2	2,497,770	2,803,482
Cost of sales		<u>-</u>	<u>-</u>
GROSS PROFIT		2,497,770	2,803,482
Administrative expenses		(1,137,275)	(1,072,603)
Other income	3	<u>-</u>	<u>-</u>
OPERATING PROFIT	4	1,360,495	1,730,879
Net finance costs	7	<u>(42,869)</u>	<u>1,275</u>
PROFIT BEFORE TAXATION		1,317,626	1,732,154
Income tax expense	8	<u>(536,591)</u>	<u>(313,684)</u>
PROFIT/(LOSS) FOR THE YEAR		<u>781,035</u>	<u>1,418,470</u>
Total Comprehensive Income for the Year		<u><u>781,035</u></u>	<u><u>1,418,470</u></u>
Profit and total comprehensive income attributable to:			
Equity holders of the company		<u><u>781,035</u></u>	<u><u>1,418,470</u></u>

The company has no other items of comprehensive income and as such the statement of comprehensive income for the year agrees to the profit for the year.

STATEMENT OF CHANGES IN EQUITY

Year Ended 30 September 2023

	Share Capital	Retained Earnings	Total Equity
	£	£	£
At 1 October 2021	100	10,833,150	10,833,250
Profit for the Financial Year	<u>-</u>	<u>1,418,470</u>	<u>1,418,470</u>
At 30 September 2022	100	12,251,620	12,251,720
Profit for the Financial Year	<u>-</u>	<u>781,035</u>	<u>781,035</u>
At 30 September 2023	<u><u>100</u></u>	<u><u>13,032,655</u></u>	<u><u>13,032,755</u></u>

MWI Buying Group Limited


BALANCE SHEET

Year Ended 30 September 2023

	Note	2023 £	2022 £
Non-current assets			
Property, plant and equipment	10	4,935	7,137
Right-of-use assets	14	12,809	28,180
Deferred tax assets	9	33,646	25,411
		<u>51,390</u>	<u>60,728</u>
Current Assets			
Trade and other receivables	11	13,771,440	17,162,095
Cash and Cash Equivalents	12	<u>1,584,128</u>	<u>2,066,790</u>
		<u>15,355,568</u>	<u>19,228,885</u>
Current Liabilities			
Trade and other payables	13	(2,361,059)	(7,009,115)
Short Term Lease Liabilities	14	<u>(13,144)</u>	<u>(15,634)</u>
		<u>(2,374,203)</u>	<u>(7,024,749)</u>
Net Current Assets		<u>12,981,365</u>	<u>12,204,136</u>
Non-Current Liabilities			
Long Term Lease Liabilities	14	<u>-</u>	<u>13,144</u>
Net Assets		<u>13,032,755</u>	<u>12,251,720</u>
Equity			
Issued Share Capital	15	100	100
Retained Earnings		<u>13,032,655</u>	<u>12,251,620</u>
		<u>13,032,755</u>	<u>12,251,720</u>

The financial statements of MWI Buying Group Limited, registered number 02617906, were approved by the Board of Directors and authorised for issue.

Signed on behalf of the Board of Directors

DocuSigned by:

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D J Tinsley

Director

Date: 24 January 2024

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 30 September 2023

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements during the current and prior financial year.

Statement of compliance

MWI Buying Group Limited is a limited liability company registered in England and Wales. During the year the company changed its name from St Francis Limited to MWI Buying Group Limited. Its registered office is Centaur House, Torbay Road, Castle Cary, Somerset, BA7 7EU. The financial statements of MWI Buying Group Limited for the year ended 30 September 2023 were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound except where otherwise indicated.

Basis of preparation

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Certain comparative information;
- The effect of new but not yet effective IFRSs;
- Disclosures in respect of transactions with wholly owned subsidiaries within the larger group;
- Disclosures in respect of the compensation of key management personnel; and
- Disclosures in respect of capital management.

As the consolidated financial statements of the company's parent include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair value measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures
- Disclosures in respect of share based payments.

The ultimate parent company, Cencora Inc, has financial statements that are publicly available from www.cencora.com

Going concern

Based on the company's forecasts and its continued growth in market share, the Directors have adopted the going concern basis in preparing the financial statements.

The company is part of a Group, and the primary trading company, Centaur Services Limited, has provided the Company with an undertaking from the date of approval of these Financial Statements, for the period to 31 January 2025 (the going concern period), that they will continue to provide support to enable the company to meet its liabilities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 30 September 2023

1. ACCOUNTING POLICIES (continued)

Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services.

(a) Sale of services

The company operates as a veterinary buying group. Revenue is recognised when the amount can be reliably measured and it is probable that future economic benefit will flow to the company under the terms of any sale agreements. Revenue is not considered to be reliably measurable until all contingent clauses in sale agreements are met. Revenue is recognised in the month that members purchases are made and is based on a percentage of the value of goods purchased by members.

No element of financing is deemed present. Amounts due are received in the following month.

(b) Interest income

Interest income is recognised using the effective Interest method.

Financial Assets

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

The company does not have any financial assets classified at fair value as at 30 September 2023.

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The assets that are classified at amortised cost are mainly amounts owed by group undertakings, trade receivables and other receivables. The company holds these assets and does not factor or sell them.

The company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or been transferred and the company has transferred substantially all the risks and rewards of ownership.

Financial Liabilities

Financial liabilities are recognised when there is an obligation to transfer benefits and that obligation is a contractual liability to deliver cash or another financial asset or to exchange financial instruments with another entity on potentially unfavourable terms.

Financial liabilities are derecognised when they are extinguished, that is discharged, cancelled or expired. If a legally enforceable right exists to set off recognised amounts of financial assets and liabilities, which are determinable monetary amounts, and there is the intention to settle net, the relevant financial assets and liabilities are offset.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 30 September 2023

1. ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment are stated at historical cost, less related accumulated depreciation and impairment, if any. Cost includes expenditures that are directly attributable to the acquisition of the items.

Repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. The estimated useful lives are as follows:

Fixtures & fittings 15% per annum on a reducing balance basis

Computer equipment 3 years on a straight line basis

The asset's residual value, useful life and depreciation method is reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payment are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised within administrative expenses in the Statement of total comprehensive income.

Trade payables are non-derivative financial liabilities with fixed or determinable payments and relate to obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are included in current liabilities, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Total Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the statement of financial position date. Management periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, it establishes provisions, when appropriate, as the basis of amounts expected to be paid to the tax authorities.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. The legislation will be effective for the Group's financial year beginning 1 October 2024. The Group is within the scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. Based on the assessment, the effective tax rate determined under Pillar Two legislation is above 15% in most of the jurisdictions in which the Group operates, and the Group does not expect a material exposure to Pillar Two income taxes

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 30 September 2023

1. ACCOUNTING POLICIES (continued)

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The financial statements include no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. REVENUE

Revenue is derived from the principal activity of the company, is recorded in the accounts exclusive of VAT and is derived wholly in the UK.

3. OTHER INCOME

No other income in the year or prior year.

4. OPERATING PROFIT

	2023	2022
	£	£
Profit before taxation is stated after charging:		
Depreciation of property, plant and equipment Owned assets	2,202	29,949
Depreciation of Right-of-Use Assets	15,371	15,371
Auditors Remuneration	<u>48,000</u>	<u>13,750</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 30 September 2023

5. STAFF NUMBERS AND COSTS

All employees are directly employed through Centaur Services Limited.

6. DIRECTORS RENUMERATION

The directors' remuneration in both periods has been paid by other Group companies. It is not practicable to allocate their remuneration between their services as directors of this company and their services as directors of other companies in the Group.

7. NET FINANCE INCOME

	2023	2022
	£	£
Finance costs		
Bank Charges	42,603	(1,758)
Interest Expense on lease liabilities	<u>266</u>	<u>483</u>
	<u>42,869</u>	<u>(1,275)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 30 September 2023

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2023 £	2022 £
Current Taxation		
United Kingdom corporation tax:		
Current tax on income for the period at 22.01% (2022 - 19.0%)	288,589	330,652
Adjustment in respect of previous years	<u>256,236</u>	<u>(9,693)</u>
Total current tax	<u>544,825</u>	<u>320,959</u>
Deferred tax		
Origination and reversal of temporary differences	3,310	(2,030)
Adjustments in respect of previous years	<u>(11,544)</u>	<u>(5,245)</u>
Total deferred tax	<u>(8,234)</u>	<u>(7,275)</u>
Tax on profit on ordinary activities	<u>536,591</u>	<u>313,684</u>
	2023	2022
	£	£
Profit on ordinary activities before tax	1,317,626	1,732,154
Tax on profit / (loss) on ordinary activities before tax at 22.01% (2022 – 19%)	290,009	329,109
Factors affecting charge for the year		
Expenses not deductible for tax purposes	1,517	-
Adjustments in respect of prior periods - current tax	256,236	(9,693)
Adjustments in respect of prior periods - deferred tax	(11,544)	(5,245)
Adjust closing deferred tax to average rate of 22.01% (2022 - 19%)	<u>373</u>	<u>(487)</u>
Total tax (credit)/charge for the year	<u>536,591</u>	<u>313,684</u>

Changes in future tax rates

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantially enacted on 24 May 2021. The UK corporation tax rate for FY23 of 22.01% is the blended rate and deferred tax balances have been calculated based on the 25% rate.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**Year Ended 30 September 2023****9. DEFERRED TAX**

Deferred Tax assets and liabilities are attributable to the following:

	2023	2022
	£	£
Plant, Property & equipment	19,487	24,424
Provisions	<u>14,159</u>	<u>987</u>
Deferred tax assets	<u><u>33,646</u></u>	<u><u>25,411</u></u>

10. PROPERTY AND EQUIPMENT

	Fixtures, fittings, tools and equipment £	Computer Equipment £	Total £
Cost			
At 1 October 2022	7,175	193,590	200,765
Additions	-	-	-
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2023	<u><u>7,175</u></u>	<u><u>193,590</u></u>	<u><u>200,765</u></u>
Depreciation			
At 1 October 2022	5,813	187,815	193,628
Charge for the year	222	1,980	2,202
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2023	<u><u>6,035</u></u>	<u><u>189,795</u></u>	<u><u>195,830</u></u>
Net book value			
At 1 October 2022	<u>1,362</u>	<u>5,775</u>	<u>7,137</u>
At 30 September 2023	<u><u>1,140</u></u>	<u><u>3,795</u></u>	<u><u>4,935</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 30 September 2023

11. TRADE AND OTHER RECEIVABLES

	2023	2022
	£	£
Current receivables:		
Trade receivables	3,351,754	5,566,901
Amounts owed by group undertakings	7,471,233	11,293,072
Prepaid expenses and accrued income	75,976	29,259
Other taxation and social security	2,410,639	-
Other receivables	461,838	272,863
Total receivables	13,771,440	17,162,095

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments.

	2023	2022
	£	£
Cash and cash equivalents per balance sheet	1,584,128	2,066,790
	<u>1,584,128</u>	<u>2,066,790</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade payables	219,206	3,902,683
Other taxation and social security	-	1,236,023
Accruals and deferred income	-	(16,296)
Corporation tax	562,545	356,807
Other payables	29,308	739,898
Amounts owed to group undertakings	1,550,000	790,000
	<u>2,361,059</u>	<u>7,009,115</u>

Trade and other payables are shown at amortised cost and there is no significant difference from their fair value.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year Ended 30 September 2023

15. CALLED UP SHARE CAPITAL

	2023	2022
	£	£
Authorised		
10,000 ordinary shares of £0.01 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
10,000 ordinary shares of £0.01 each	<u>100</u>	<u>100</u>

MWI Buying Group Ltd has £100 of issued share capital. There have been no changes to the numbers of allotted, called up and fully paid share capital during the year. Retained earnings represent the cumulative profits and losses of the company. All authorised shares are fully paid.

16. CAPITAL COMMITMENTS

There are no amounts contracted but not provided in the financial statements as at 30 September 2023 or 30 September 2022.

17. POST BALANCE SHEET EVENTS

The conflict which continues in Ukraine is not considered to have a material impact on the company due to having no operations or customers in that region. There were no events that the directors consider material to the users of these financial statements since the balance sheet date, but before these financial statements were approved.

18. ULTIMATE PARENT COMPANY

The company is controlled by Cencora Inc a company incorporated in the USA.

The ultimate controlling party is Cencora Inc. The company's immediate parent undertaking at the balance sheet date was MWI Supply (UK Acquisition) Limited.

The only group in which the results of the company are consolidated is that headed by Cencora Incorporated in the USA. The consolidated financial statements of Cencora's financial statements are publicly available from www.cencora.com.