

Company Registration No. 02961880 (England and Wales)

**AVICENNA HOLDINGS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JULY 2021**



# AVICENNA HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	N J Clark S K E Jetha J I Power
<b>Secretary</b>	J I Power
<b>Company number</b>	02961880
<b>Registered office</b>	Selsdon House 212-220 Addington Road South Croydon CR2 8LD
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 1 St. James' Gate Newcastle upon Tyne United Kingdom NE1 4AD

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# AVICENNA HOLDINGS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 JULY 2021

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The directors present the strategic report for the year ended 31 July 2021.

#### **Fair review of the business**

The company is a holding company that heads a group of eight other companies. The principal activity of the subsidiary undertakings are as follows:

Selsdon Healthcare Limited - purchase and sale of pharmaceutical products;

AMG Healthcare Limited - dispensing chemist;

Avicenna Real Estate Limited - real estate investment;

Avicenna Membership Services Limited - support and business service provision to retail pharmacists; and

Avicenna Pharmacists' Associates Limited, Avicenna Pharmacare Limited, Avicenna Old Limited and LPC (Pharmaceuticals) Limited - non- trading group companies.

#### **Macroeconomic and political environment**

The company has successfully worked to avoid disruptions caused by COVID-19 coronavirus, while at the same time acting responsibly to do what it can to prevent further spread of the virus. The company will continue to closely monitor and assess the evolving situation.

#### **Results and performance**

The company holds central management costs of the wider Avicenna group and as such has made a profit in the year ended 31 July 2021 of £32K (2020: profit of £1,148K). This is due to there being no management charge in the prior period and the results are in line with the directors' expectations of the company's performance.

The directors consider that the performance of the subsidiary undertakings was in line with expectations.

#### **Principal risks and uncertainties**

The directors do not believe that there are any significant principal risks and uncertainties facing the company. The performance of the company was in line with expectations.

#### **Key performance indicators**

The directors do not consider there to be any specific key performance indicators. The company monitors the performance of the investments on a monthly basis and reviews costs on a regular basis.

On behalf of the board



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J I Power  
Director

Date: 16/03/22  
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# AVICENNA HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 JULY 2021

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The directors present their report and financial statements for the year ended 31 July 2021.

#### Principal activities

The principal activity of the company continued to be that of a group holding and management company, providing support and services to its retail pharmacist members.

#### Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid (2020: £3,500K). The directors do not recommend payment of a final dividend.

#### Directors

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

N J Clark

S K E Jetha

B Patel

J I Power

(Resigned 23 September 2021)

#### Qualifying third party indemnity provisions

The company provided qualifying third party indemnity provisions in respect of the directors and officers which were in force during the year and at the date of this report.

#### Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Matters of strategic importance

The company has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch.7 to be contained in the directors' report. It has done so in respect of principal risks and uncertainties and future developments.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

*Jonathan Power*  
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J I Power

Director

Date: 16/03/22  
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# **AVICENNA HOLDINGS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 JULY 2021**

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The directors are responsible for preparing the strategic report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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; 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 AVICENNA HOLDINGS LIMITED**

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## **Opinion**

We have audited the financial statements of Avicenna Holdings Limited (the 'company') for the year ended 31 July 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 July 2021 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 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.

## **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 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.

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVICENNA HOLDINGS LIMITED (CONTINUED)**

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### **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 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 3, 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVICENNA HOLDINGS LIMITED (CONTINUED)

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting correspondence with tax authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates included within the financial statements.

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.

*Steven Cleugh*

Steven Cleugh FCCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
1 St. James' Gate  
Newcastle upon Tyne  
United Kingdom, NE1 4AD

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17/03/22



# AVICENNA HOLDINGS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2021

		Year ended 31 July 2021 £	10 month period ended 31 July 2020 £
	Notes		
<b>Turnover</b>	<b>3</b>	1,767,968	1,555,816
Cost of sales		(969,724)	(798,199)
<b>Gross profit</b>		798,244	757,617
Administrative expenses		(784,144)	(3,092)
Other operating income		-	5,000
<b>Operating profit</b>		14,100	759,525
Interest receivable and similar income	<b>5</b>	1	388,685
<b>Profit before taxation</b>		14,101	1,148,210
Tax on profit	<b>6</b>	17,588	-
<b>Profit for the financial year</b>		31,689	1,148,210

**AVICENNA HOLDINGS LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 JULY 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investments	8	15,401,149		15,401,149	
<b>Current assets</b>					
Debtors	10	1,269,596		1,392,612	
Cash at bank and in hand		577,418		399,656	
		<u>1,847,014</u>		<u>1,792,268</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(741,290)</u>		<u>(718,233)</u>	
<b>Net current assets</b>		<u>1,105,724</u>		<u>1,074,035</u>	
<b>Total assets less current liabilities</b>		<u>16,506,873</u>		<u>16,475,184</u>	
<b>Capital and reserves</b>					
Called up share capital	13	4,627,272		4,627,272	
Share premium account	14	13,815		13,815	
Capital redemption reserve	14	53,081		53,081	
Profit and loss reserves	14	11,812,705		11,781,016	
<b>Total equity</b>		<u>16,506,873</u>		<u>16,475,184</u>	

The financial statements were approved by the board of directors and authorised for issue on 16/03/22  
and are signed on its behalf by:

*Jonathan Power*  
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J I Power  
Director

# AVICENNA HOLDINGS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2021

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 October 2019</b>		4,627,272	13,815	53,081	14,132,806	18,826,974
<b>Period ended 31 July 2020:</b>						
Profit and total comprehensive income for the period		-	-	-	1,148,210	1,148,210
Dividends	7	-	-	-	(3,500,000)	(3,500,000)
<b>Balance at 31 July 2020</b>		4,627,272	13,815	53,081	11,781,016	16,475,184
<b>Year ended 31 July 2021:</b>						
Profit and total comprehensive income for the year		-	-	-	31,689	31,689
<b>Balance at 31 July 2021</b>		4,627,272	13,815	53,081	11,812,705	16,506,873

# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

#### Company information

Avicenna Holdings Limited (the 'company') is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Selsdon House, 212-220 Addington Road, South Croydon, CR2 8LD.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Avicenna Limited. These consolidated financial statements are available from its registered office, Selsdon House, 212-220 Addington Road, South Croydon, CR2 8LD.

#### Group accounts exemption

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

#### Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future based upon financial forecasts which have been updated to consider the impact of the COVID-19 pandemic. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Turnover

Turnover from supplier rebates is recognised and accrued on an estimates basis based on purchasing volumes, and correcting adjustments are made when the rebates are received from suppliers, usually at the end of 3 months.

# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

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#### 1 Accounting policies (Continued)

##### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **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.

##### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Other financial assets**

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

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#### 1 Accounting policies (Continued)

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments where the contractual returns, repayment of the principal, or other terms (such as prepayment provisions or term extensions) do not meet the conditions to be measured at amortised cost, are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

#### 1 Accounting policies (Continued)

##### Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

*Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.*

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

#### 2 Judgements and key sources of estimation uncertainty

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

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

#### 3 Turnover and other revenue

	2021	10 months to 31 July 2020
	£	£
<b>Turnover analysed by class of business</b>		
Supplier rebates	1,767,968	1,555,816

# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 3 Turnover and other revenue (Continued)

	2021	10 months to 31 July 2020
	£	£
<b>Other revenue</b>		
Interest income	1	14,685
Dividends received	-	374,000
	<u>1</u>	<u>374,000</u>

### 4 Auditors remuneration

The audit fees of the company for the period were £4,500 (2020: £4,000).

### 5 Interest receivable and similar income

	2021	10 months to 31 July 2020
	£	£
<b>Interest income</b>		
Interest on bank deposits	1	14,685
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	-	374,000
	<u>1</u>	<u>374,000</u>
<b>Total income</b>	<u>1</u>	<u>388,685</u>

### 6 Taxation

	2021	10 months to 31 July 2020
	£	£
<b>Deferred tax</b>		
Origination and reversal of timing differences	(17,588)	-
	<u>(17,588)</u>	<u>-</u>



# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 6 Taxation (Continued)

The total tax (credit)/charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2021 £	10 months to 31 July 2020 £
Profit before taxation	14,101	1,148,210
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	2,679	218,160
Tax effect of expenses that are not deductible in determining taxable profit	-	(71,060)
Effect of change in corporation tax rate	(4,221)	-
Group relief	(16,046)	(147,100)
Taxation credit for the year	(17,588)	-

### 7 Dividends

	2021 £	10 months to 31 July 2020 £
Final paid	-	3,500,000

### 8 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	9	15,401,149	15,401,149

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 August 2020 & 31 July 2021	15,401,149
<b>Carrying amount</b>	
At 31 July 2021	15,401,149
At 31 July 2020	15,401,149

# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 9 Subsidiaries

Details of the company's subsidiaries at 31 July 2021 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Selsdon Healthcare Limited	1	Pharmaceutical products retailer	Ordinary	100.00	-
LPC (Pharmaceuticals) Limited	1	Dormant	Ordinary	-	100.00
Avicenna Real Estate Limited	1	Real estate investment	Ordinary	100.00	-
Avicenna Pharmacists' Associates Limited	1	Dormant	Ordinary	100.00	-
Avicenna Pharmacare Limited	1	Dormant	Ordinary	100.00	-
Avicenna Old Limited	1	Dormant	Ordinary	100.00	-
Avicenna Membership Services Limited	1	Support service provider	Ordinary	100.00	-
AMG Healthcare Limited	1	Dispensing chemist	Ordinary	100.00	-

Registered office addresses (all UK unless otherwise indicated):

1 Selsdon House, 212-220 Addington House, South Croydon, CR2 8LD

### 10 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	203,238	364,871
Amounts owed by group undertakings	903,391	887,541
Prepayments and accrued income	145,379	140,200
	<u>1,252,008</u>	<u>1,392,612</u>
Deferred tax asset (note 12)	17,588	-
	<u>1,269,596</u>	<u>1,392,612</u>

### 11 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	365	479
Amounts owed to group undertakings	162,204	155,004
Corporation tax	14,911	14,911
Other taxation and social security	80,201	195,292
Accruals and deferred income	483,609	352,547
	<u>741,290</u>	<u>718,233</u>

# AVICENNA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 12 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Assets 2021 £	Assets 2020 £
<b>Balances:</b>		
Accelerated capital allowances	17,588	-
	<u>17,588</u>	<u>-</u>
<b>Movements in the year:</b>		2021 £
Balance at 1 August 2020		-
Credit to profit or loss		(17,588)
Asset at 31 July 2021		<u>(17,588)</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

### 13 Share capital

	2021 Number	2020 Number	2021 £	2020 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
A Ordinary shares of 20p each	22,879,793	22,879,793	4,582,041	4,582,041
B Ordinary shares of 1p each	4,523,123	4,523,123	45,231	45,231
	<u>27,402,916</u>	<u>27,402,916</u>	<u>4,627,272</u>	<u>4,627,272</u>

The A Ordinary shares have attached to them full voting rights, dividend distribution rights and surplus assets upon winding up of the company.

The B Ordinary shares carry no voting rights and no entitlement to participate in any dividend or return of capital.

### 14 Reserves

#### Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

#### Capital redemption reserve

The nominal value of shares repurchased and still held at the end of the reporting period.

#### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

# **AVICENNA HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021**

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### **15 Ultimate controlling party**

The company's immediate parent company is Avicenna Limited, a company incorporated in the England and Wales.

The parent of the smallest group, for which consolidated accounts are drawn up, of which Avicenna Holdings Limited is a member is Avicenna Limited, a company incorporated in England and Wales. Its registered office is Selsdon House, 212-220 Addington Road, South Croydon, CR2 8LD.

The parent of the largest group, for which consolidated accounts are drawn up, of which Avicenna Holdings Limited is a member is Avicenna Topco Limited, a company incorporated in England and Wales. Its registered office is Selsdon House, 212-220 Addington Road, South Croydon, CR2 8LD.

The company's ultimate controlling party is Ardian Investment UK Limited which is registered in the United Kingdom.