

Registered number
04366305

DILRIA LIMITED
Report and Financial Statements
31 July 2019

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DILRIA LIMITED
Report and accounts
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DILRIA LIMITED
Company Information

Directors

Mr S Lakhani

Mr K Lakhani

Auditors

GB & Co

Chartered Accountants and Statutory Auditors

73 Dryburgh Gardens

Kingsbury

London

NW9 9TY

Bankers

SANTANDER

Santander Corporate and Commercial

Bridle Road

Bootle

L30 4GB

NATWEST

Highbury and Islington Branch

218 Upper Street

Islington

London

N1 1SA

Business address

195 Shirland Road

London

W9 2EU

Registered office

195 Shirland Road

London

W9 2EU

Registered number

04366305

DILRIA LIMITED**Registered number:** 04366305**Directors' Report**

The directors present their report and financial statements for the year ended 31 July 2019.

Principal activities

The company's principal activity during the year continued to be that of dispensing chemist.

Review of the business

Turnover has decreased from £705,180 in 2018 to £617,117 in 2019. As a result operating loss has increased from £45,044 in 2018 to £89,282 in 2019. The company expects to increase turnover and decrease cost & expenses in 2020 and beyond thereby, returning the company to profitability.

Directors

The following persons served as directors during the year:

Mr S Lakhani

Mr K Lakhani

Directors' responsibilities

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

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

DILRIA LIMITED

Registered number:

04366305

Directors' Report

This report has been prepared in accordance with the provision of part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board on 19 August 2020 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'K Lakhani', written over a horizontal line.

Mr K Lakhani
Director

DILRIA LIMITED
Independent auditor's report
to the members of DILRIA LIMITED

Opinion

We have audited the financial statements of DILRIA LIMITED for the year ended 31 July 2019 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, 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 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

DILRIA LIMITED
Independent auditor's report
to the members of DILRIA LIMITED

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; or

Responsibilities of directors

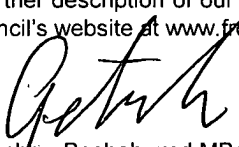
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.


Getachew Beshahwred MBA, FCA
(Senior Statutory Auditor)
for and on behalf of
GB & Co
Chartered Accountants and Statutory Auditors
19 August 2020

73 Dryburgh Gardens
Kingsbury
London
NW9 9TY

DILRIA LIMITED
Income Statement
for the year ended 31 July 2019

	Notes	2019 £	2018 £
Turnover	2	617,117	705,180
Cost of sales		(388,326)	(417,375)
Gross profit		228,791	287,805
Administrative expenses		(318,073)	(332,849)
Operating loss	3	<u>(89,282)</u>	<u>(45,044)</u>
Interest receivable		-	2
Interest payable	6	554	(2,274)
Loss on ordinary activities before taxation		<u>(88,728)</u>	<u>(47,316)</u>
Tax on loss on ordinary activities	7	-	-
Loss for the financial year		<u>(88,728)</u>	<u>(47,316)</u>

DILRIA LIMITED
Statement of comprehensive income
for the year ended 31 July 2019

	Notes	2019 £	2018 £
Loss for the financial year		(88,728)	(47,316)
Other comprehensive income			
Total comprehensive income for the year		<u>(88,728)</u>	<u>(47,316)</u>

DILRIA LIMITED
Statement of Financial Position
as at 31 July 2019

	Notes	2019 £	2018 £
Fixed assets			
Intangible assets	8	260,000	292,500
Tangible assets	9	<u>46,319</u>	<u>47,100</u>
		306,319	339,600
Current assets			
Stocks	10	98,727	103,985
Debtors	11	668,277	659,081
Cash at bank and in hand		<u>1,955</u>	<u>446</u>
		768,959	763,512
Creditors: amounts falling due within one year	12	(458,565)	(380,021)
Net current assets		<u>310,394</u>	<u>383,491</u>
Total assets less current liabilities		<u>616,713</u>	<u>723,091</u>
Creditors: amounts falling due after more than one year	13	(340,407)	(358,057)
Provisions for liabilities			
Deferred taxation	15	(990)	(990)
Net assets		<u>275,316</u>	<u>364,044</u>
Capital and reserves			
Called up share capital	16	1,000	1,000
Profit and loss account	17	274,316	363,044
Total equity		<u>275,316</u>	<u>364,044</u>

The financial statements have been prepared in accordance with the provisions of part 15 of the Companies Act 2006 relating to Small Companies.

The financial statements were approved by the board and signed by the director on its behalf on 19th August 2020



Mr K Lakhani
Director

DILRIA LIMITED
Statement of Changes in Equity
for the year ended 31 July 2019

	Share capital £	Profit and loss account £	Total £
At 1 August 2017	1,000	410,360	411,360
Loss for the financial year		(47,316)	(47,316)
At 31 July 2018	<u>1,000</u>	<u>363,044</u>	<u>364,044</u>
At 1 August 2018	1,000	363,044	364,044
Loss for the financial year		(88,728)	(88,728)
At 31 July 2019	<u>1,000</u>	<u>274,316</u>	<u>275,316</u>

DILRIA LIMITED
Notes to the Accounts
for the year ended 31 July 2019

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	10% reducing balance
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Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

DILRIA LIMITED
Notes to the Accounts
for the year ended 31 July 2019

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Analysis of turnover	2019	2018
	£	£
Sale of goods	617,117	705,180
By geographical market:		
UK	617,117	705,180
3 Operating profit	2019	2018
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	781	868
Amortisation of goodwill	32,500	32,500
Carrying amount of stock sold	388,326	417,375
4 Directors' emoluments	2019	2018
	£	£
Emoluments	69,063	68,523
Highest paid director: Emoluments	69,063	68,523
5 Staff costs	2019	2018
	£	£
Wages and salaries	168,764	178,984
Social security costs	14,025	14,756
Other pension costs	2,141	683
	184,930	194,423

DILRIA LIMITED
Notes to the Accounts
for the year ended 31 July 2019

Average number of employees during the year	Number	Number
Counter and Dispenser staff	<u>7</u>	<u>7</u>
6. Interest payable	2019	2018
	£	£
Bank loans and overdrafts	(900)	2,194
Other loans	<u>346</u>	<u>80</u>
	<u>(554)</u>	<u>2,274</u>
7 Taxation	2019	2018
	£	£
Analysis of charge in period		
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2019	2018
	£	£
Loss on ordinary activities before tax	<u>(88,728)</u>	<u>(47,316)</u>
Standard rate of corporation tax in the UK	20%	20%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(17,746)	(9,463)
Effects of:		
Expenses not deductible for tax purposes	17,746	9,463
Current tax charge for period	<u>-</u>	<u>-</u>

DILRIA LIMITED
Notes to the Accounts
for the year ended 31 July 2019

8 Intangible fixed assets

£

Goodwill:

Cost

At 1 August 2018

650,000

At 31 July 2019

650,000

Amortisation

At 1 August 2018

357,500

Provided during the year

32,500

At 31 July 2019

390,000

Carrying amount

At 31 July 2019

260,000

At 31 July 2018

292,500

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.

9 Tangible fixed assets

	Land and buildings <i>At cost</i> £	Fixtures, fittings, tools and equipment <i>At cost</i> £	Total £
Cost or valuation			
At 1 August 2018	39,291	33,959	73,250
At 31 July 2019	39,291	33,959	73,250
Depreciation			
At 1 August 2018	-	26,150	26,150
Charge for the year	-	781	781
At 31 July 2019	-	26,931	26,931
Carrying amount			
At 31 July 2019	39,291	7,028	46,319
At 31 July 2018	39,291	7,809	47,100

10 Stocks

2019
£

2018
£

Finished goods and goods for resale

98,727

103,985

DILRIA LIMITED
Notes to the Accounts
for the year ended 31 July 2019

11 Debtors	2019	2018
	£	£
Trade debtors	121,294	118,731
Amounts owed by group undertakings and undertakings in which the company has a participating interest	509,919	504,510
Other debtors	5,000	5,000
VAT Refund	32,064	30,840
	<u>668,277</u>	<u>659,081</u>
 12 Creditors: amounts falling due within one year	 2019	 2018
	£	£
Bank overdrafts	85,064	84,919
Trade creditors	131,147	86,272
Corporation tax	-	(8)
Other taxes and social security costs	12,915	19,167
Other creditors	214,579	168,304
Accruals and deferred income	14,860	21,367
	<u>458,565</u>	<u>380,021</u>
 13 Creditors: amounts falling due after one year	 2019	 2018
	£	£
Bank loans	269,549	270,449
Other creditors	70,858	87,608
	<u>340,407</u>	<u>358,057</u>
 14 Loans	 2019	 2018
	£	£
Loans not wholly repayable within five years:		
Loan 1 (give details of repayment terms and interest rate)	<u>328,795</u>	<u>329,695</u>
Analysis of maturity of debt:		
Within one year or on demand	59,246	59,246
Between one and two years	58,692	58,692
Between two and five years	210,857	211,757
	<u>328,795</u>	<u>329,695</u>

The bank loans are secured on the assets of the company.

DILRIA LIMITED
Notes to the Accounts
for the year ended 31 July 2019

15 Deferred taxation	2019 £	2018 £
Accelerated capital allowances	<u>990</u>	<u>990</u>

	2019 £	2018 £
At 1 August	990	990
At 31 July	<u>990</u>	<u>990</u>

16 Share capital	Nominal value	2019 Number	2019 £	2018 £
Allotted, called up and fully paid: Ordinary shares	£1 each	1,000	<u>1,000</u>	<u>1,000</u>

17 Profit and loss account	2019 £	2018 £
At 1 August	363,044	410,360
Loss for the financial year	(88,728)	(47,316)
At 31 July	<u>274,316</u>	<u>363,044</u>

18 Related party transactions

Included in debtors are £504,510 (2018: £504,510) due from Lakhani Holdings Ltd and £41,584 (2018: £36,175) due from Pharmacy Team Ltd respectively.
Mr Sunil Lakhani who is the Director and 33% shareholder of Dilria Ltd is the sole director and 50% shareholder of Lakhani Holdings Ltd and the sole director and 100% shareholder of Pharmacy Team Ltd.

Included in creditors is £206,060 (2018: £175,660) due to the director Mr Kamal Lakhani

19 Controlling party

Directors are the ultimate controlling parties.

20 Presentation currency

The financial statements are presented in Sterling.

21 Legal form of entity and country of incorporation

DILRIA LIMITED is a private company limited by shares and incorporated in England.

DILRIA LIMITED
Notes to the Accounts
for the year ended 31 July 2019

22 Principal place of business

The address of the company's principal place of business and registered office is:

Principal place of business	Registered office
195 Shirland Road	Argyle House
London	3rd Floor, Northside
W9 2EU	Joel Street, Northwood Hills

23 Reconciliations on adoption of FRS 102

Profit and loss for the year ended 31 July 2018	£
Loss under former UK GAAP	(47,316)
Loss under FRS 102	<u>(47,316)</u>
Balance sheet at 31 July 2018	£
Equity under former UK GAAP	364,044
Equity under FRS 102	<u>364,044</u>
Balance sheet at 1 August 2017	£
Equity under former UK GAAP	-
Equity under FRS 102	<u>-</u>