

Company registration number 04450328 (England and Wales)

**WALKBOOST LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# WALKBOOST LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	YI Patel JC Patel JC Patel Junior A A Ismail
<b>Company number</b>	04450328
<b>Registered office</b>	Unit 29 Devonshire Road Worsley Manchester M28 3PT
<b>Auditor</b>	Sumer Auditco Limited The Beehive City Place Gatwick RH6 0PA

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# WALKBOOST LIMITED

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# WALKBOOST LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

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The directors present the strategic report for the year ended 31 March 2023.

#### Strategy

The Group's strategy is to provide a quality pharmaceutical product and service ethically and efficiently whilst maintaining a high level of customer services support and providing customers with products that are competitively priced.

#### Principal Activities

The principal activity of the Group during the year continued to be that of the supply of pharmaceutical goods and repackaging.

#### Regulation

The company's activities are regulated by the Home Office and the Medicines and Healthcare Regulatory Agency (MHRA).

#### Business Review and Future Developments

As expected, the level of profitability of the group significantly decreased in the year ending 31 March 2023.

The Group made a net loss on ordinary activities before taxation of £973,681 in the financial year, a decrease of £27,312 on the previous financial year.

Downward pressure on the pricing and reimbursement of the prescribing of unlicensed medicines, by the Department of Health, continues to be a predominant factor in the declining gross margin of the Group.

The key performance indicators (KPI's) that the group regard as important are turnover and profitability which are summarised as follows:

	<u>2023</u>	<u>2022</u>
Turnover	£9,302,035	£7,978,809
Gross Profit	£3,130,877	£2,931,587
Gross Profit %	33.66%	36.74%
Operating Profit/(Loss)	(£972,413)	(£995,504)

The Directors are satisfied with the performance of the business in the year following a recruitment drive, pricing increase and internal training. As expected the volume in Maxearn Ltd increased significantly in from the previous year. A full system upgrade and pricing review planned for the financial year 31 March 2024 should see further efficiencies and output for the business. Plans for the financial year 31 March 2024 for Eaststone Ltd are to enhance the Product Portfolio to ensure effective price and profitability management and to carry out a full pricing review.

On behalf of the board

YI Patel  
**Director**  
28 March 2024

# WALKBOOST LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

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The directors present their annual report and financial statements for the year ended 31 March 2023.

#### Principal activities

The principal activity of the company continued to be that of a holding company.

The principal activities of the group continued to be the supply of pharmaceutical products and pharmaceutical repackaging facilitated by holding pharmaceutical parallel import licenses.

#### Directors

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

YI Patel  
JC Patel  
JC Patel Junior  
A A Ismail

#### Results and dividends

The results for the year are set out on page 8.

#### Auditor

Sumer Audico Limited were appointed as auditor to the company and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of directors' responsibilities

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 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 group and company, and of the profit or loss of the group 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### 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 auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

## **WALKBOOST LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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On behalf of the board

YI Patel  
**Director**  
28 March 2024

JC Patel Junior  
**Director**  
28 March 2024

# WALKBOOST LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WALKBOOST LIMITED

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### Opinion

We have audited the financial statements of Walkboost Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 Financial Reporting Standard 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 group's and the parent company's affairs as at 31 March 2023 and of the group's loss 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 group and parent 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 group's and parent 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.

# **WALKBOOST LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF WALKBOOST LIMITED**

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 parent 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 parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussions with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: laws related to the handling of client money.



## **WALKBOOST LIMITED**

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

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Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

We design procedures in line with our responsibilities, outlined below to detect material misstatement due to fraud:

- Matters are discussed amongst the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud
- Identifying and assessing the design and effectiveness of controls that management have in place to prevent and detect fraud
- Detecting and responding to the risks of fraud following discussions with management and enquiring as to whether management have knowledge of any actual, suspected or alleged fraud;

A further description of our responsibilities is available 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.

**Alex Hesketh (Senior Statutory Auditor)**  
**For and on behalf of Sumer Auditco Limited**

28 March 2024

**Chartered Accountants**  
**Statutory Auditor**

The Beehive  
City Place  
Gatwick  
RH6 0PA

## WALKBOOST LIMITED

### GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Revenue	3	9,302,035	7,978,809
Cost of sales		(6,171,158)	(5,047,222)
<b>Gross profit</b>		<b>3,130,877</b>	<b>2,931,587</b>
Administrative expenses		(4,103,290)	(3,927,091)
<b>Operating loss</b>	5	<b>(972,413)</b>	<b>(995,504)</b>
Finance costs	9	(1,268)	(5,489)
<b>Loss before taxation</b>		<b>(973,681)</b>	<b>(1,000,993)</b>
Tax on loss	10	(10,067)	(20,180)
<b>Loss for the financial year</b>		<b>(983,748)</b>	<b>(1,021,173)</b>

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The income statement has been prepared on the basis that all operations are continuing operations.

# WALKBOOST LIMITED

## GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Non-current assets</b>					
Goodwill	12		1,250,000		1,750,000
Other intangible assets	12		265,744		369,377
Total intangible assets			1,515,744		2,119,377
Property, plant and equipment	13		225,948		202,967
			1,741,692		2,322,344
<b>Current assets</b>					
Inventories	17	503,613		681,033	
Trade and other receivables	18	1,750,765		1,267,860	
Cash and cash equivalents		244,193		142,162	
		2,498,571		2,091,055	
<b>Current liabilities</b>	19	(2,874,543)		(2,073,998)	
<b>Net current (liabilities)/assets</b>			(375,972)		17,057
<b>Total assets less current liabilities</b>			1,365,720		2,339,401
<b>Provisions for liabilities</b>					
Deferred tax liability	20	34,634		24,567	
			(34,634)		(24,567)
<b>Net assets</b>			1,331,086		2,314,834
<b>Equity</b>					
Called up share capital	22		100,000		100,000
Retained earnings			1,231,086		2,214,834
<b>Total equity</b>			1,331,086		2,314,834

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 28 March 2024 and are signed on its behalf by:

YI Patel  
Director

JC Patel Junior  
Director

Company registration number 04450328 (England and Wales)

# WALKBOOST LIMITED

## COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Non-current assets</b>					
Investments	14		7,904,279		7,904,279
<b>Current assets</b>					
Trade and other receivables	18	2,622,472		2,591,912	
Cash and cash equivalents		7,830		1,471	
		<u>2,630,302</u>		<u>2,593,383</u>	
<b>Current liabilities</b>	19	(2,628,453)		(2,735,309)	
<b>Net current assets/(liabilities)</b>			1,849		(141,926)
<b>Net assets</b>			<u>7,906,128</u>		<u>7,762,353</u>
<b>Equity</b>					
Called up share capital	22		100,000		100,000
Retained earnings			7,806,128		7,662,353
<b>Total equity</b>			<u>7,906,128</u>		<u>7,762,353</u>

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £143,775 (2022: £240,906).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 28 March 2024 and are signed on its behalf by:

YI Patel  
Director

JC Patel Junior  
Director

Company registration number 04450328 (England and Wales)

## WALKBOOST LIMITED

### GROUP STATEMENT OF CHANGES IN EQUITY

*FOR THE YEAR ENDED 31 MARCH 2023*

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2021	100,000	3,236,007	3,336,007
Year ended 31 March 2022:			
Loss and total comprehensive income	-	(1,021,173)	(1,021,173)
Balance at 31 March 2022	100,000	2,214,834	2,314,834
Year ended 31 March 2023:			
Loss and total comprehensive income	-	(983,748)	(983,748)
Balance at 31 March 2023	100,000	1,231,086	1,331,086

## WALKBOOST LIMITED

### COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2021	100,000	7,421,447	7,521,447
Year ended 31 March 2022:			
Profit and total comprehensive income for the year	-	240,906	240,906
Balance at 31 March 2022	100,000	7,662,353	7,762,353
Year ended 31 March 2023:			
Profit and total comprehensive income for the year	-	143,775	143,775
Balance at 31 March 2023	100,000	7,806,128	7,906,128

# WALKBOOST LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27	443,407		492,670	
Interest paid		(1,268)		(5,489)	
Income taxes paid		(69,458)		(265,351)	
<b>Net cash inflow from operating activities</b>		<u>372,681</u>		<u>221,830</u>	
<b>Investing activities</b>					
Purchase of intangible assets		(57,344)		(116,480)	
Purchase of property, plant and equipment		(89,730)		(174,880)	
<b>Net cash used in investing activities</b>		<u>(147,074)</u>		<u>(291,360)</u>	
<b>Financing activities</b>					
Repayment of bank loans		(123,576)		(244,034)	
<b>Net cash used in financing activities</b>		<u>(123,576)</u>		<u>(244,034)</u>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>102,031</u>		<u>(313,564)</u>	
Cash and cash equivalents at beginning of year		142,162		455,726	
<b>Cash and cash equivalents at end of year</b>		<u><u>244,193</u></u>		<u><u>142,162</u></u>	

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Company information**

Walkboost Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 29 Oakhill Trading Estate, Devonshire Road, Worsley, Manchester, M28 3PT.

The group consists of Walkboost Limited and all of its subsidiaries.

#### **1.1 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.

The 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 for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures.

#### **1.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company Walkboost Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group statement of financial position at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

#### 1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. The life of the goodwill cannot be reliably estimated therefore following FRS102 paragraph 35, the goodwill is to be written off over 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Licenses	5 years
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#### 1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Laboratory equipment	25% reducing balance
Plant and machinery	25% reducing balance

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

#### 1.8 Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 receivables 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, 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.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### **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.

#### **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 group 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 group after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest 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 that do not meet the conditions in FRS 102 paragraph 11.9 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 the group's contractual obligations expire or are discharged or cancelled.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the 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 group.

#### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred taxation is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date. Timing differences are differences between taxable profits and the results as stated in the financial statements which arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised for tax purposes.

A net deferred tax asset is regarded as recoverable and therefore recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates which are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws which have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### 1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 2 Judgements and key sources of estimation uncertainty

In the application of the group'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 Revenue

An analysis of the group's revenue is as follows:

	2023 £	2022 £
<b>Revenue analysed by class of business</b>		
Supply of pharmaceutical goods and repackaging	9,302,035	7,978,809

	2023 £	2022 £
<b>Revenue analysed by geographical market</b>		
United Kingdom	9,161,759	7,729,833
Ireland	140,276	248,976
	9,302,035	7,978,809

### 4 Exceptional item

	2023 £	2022 £
<b>Expenditure</b>		
Director's and employee's compensation	80,135	-
	80,135	-

### 5 Operating loss

	2023 £	2022 £
Operating loss for the year is stated after charging/(crediting):		
Depreciation of owned property, plant and equipment	66,749	78,946
Amortisation of intangible assets	660,977	671,782
Cost of inventories recognised as an expense	5,125,198	4,535,942
Inventories impairment losses recognised or reversed	58,755	35,098

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 6 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	2,500	2,500
Audit of the financial statements of the company's subsidiaries	10,145	13,329
	<u>12,645</u>	<u>15,829</u>

### 7 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
127	127	-	-
<u>127</u>	<u>127</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	3,201,332	2,292,950	-	-
Social security costs	119,529	98,329	-	-
Pension costs	17,904	16,485	-	-
	<u>3,338,765</u>	<u>2,407,764</u>	<u>-</u>	<u>-</u>

### 8 Directors' remuneration

There was no remuneration paid to the directors in the current or previous year.

### 9 Finance costs

	2023	2022
	£	£
Interest on bank overdrafts and loans	1,268	5,489
	<u>1,268</u>	<u>5,489</u>

### 10 Taxation

	2023	2022
	£	£
<b>Deferred tax</b>		
Origination and reversal of timing differences	10,067	20,180
	<u>10,067</u>	<u>20,180</u>

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Loss before taxation	(973,681)	(1,000,993)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2022: 19.00%)	(243,420)	(190,189)
Tax effect of expenses that are not deductible in determining taxable profit	(125,086)	31,414
Unutilised tax losses carried forward	243,868	-
Effect of change in corporation tax rate	138,370	-
Permanent capital allowances in excess of depreciation	(3,665)	-
Research and development tax credit	-	(38,099)
Other permanent differences	-	196,874
Deferred tax	-	20,180
Taxation charge	10,067	20,180

### 11 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2023 £	2022 £
In respect of:			
Inventories	17	58,755	35,098
Recognised in:			
Cost of sales		58,755	35,098



# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 12 Intangible fixed assets

Group	Goodwill £	Licenses £	Total £
<b>Cost</b>			
At 1 April 2022	5,000,000	1,691,931	6,691,931
Additions	-	57,344	57,344
At 31 March 2023	5,000,000	1,749,275	6,749,275
<b>Amortisation and impairment</b>			
At 1 April 2022	3,250,000	1,322,554	4,572,554
Amortisation charged for the year	500,000	160,977	660,977
At 31 March 2023	3,750,000	1,483,531	5,233,531
<b>Carrying amount</b>			
At 31 March 2023	1,250,000	265,744	1,515,744
At 31 March 2022	1,750,000	369,377	2,119,377

The company had no intangible fixed assets at 31 March 2023 or 31 March 2022.

### 13 Property, plant and equipment

Group	Laboratory equipment £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 April 2022	15,505	971,560	987,065
Additions	-	89,730	89,730
At 31 March 2023	15,505	1,061,290	1,076,795
<b>Depreciation and impairment</b>			
At 1 April 2022	15,505	768,593	784,098
Depreciation charged in the year	-	66,749	66,749
At 31 March 2023	15,505	835,342	850,847
<b>Carrying amount</b>			
At 31 March 2023	-	225,948	225,948
At 31 March 2022	-	202,967	202,967

The company had no property, plant and equipment at 31 March 2023 or 31 March 2022.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 14 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	15	-	-	7,904,279	7,904,279

#### Movements in non-current investments Company

Shares in  
subsidiaries  
£

#### Cost or valuation

At 1 April 2022 and 31 March 2023

7,904,279

#### Carrying amount

At 31 March 2023

7,904,279

At 31 March 2022

7,904,279

### 15 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Eaststone Limited	England and Wales	Manufacturing pharmaceutical products	Ordinary	100.00
Falconline Limited	England and Wales	Dormant	Ordinary	100.00
Maxearn Limited	England and Wales	Pharmaceutical repackaging	Ordinary	100.00
Medihealth International Limited	England and Wales	Dormant	Ordinary	100.00
Medihealth Limited	England and Wales	Dormant	Ordinary	100.00
Quadrant Pharmaceuticals Limited	England and Wales	Hold and exploit pharmaceutical parallel import licences	Ordinary	100.00
Swingward Limited	England and Wales	Supply of pharmaceutical products	Ordinary	100.00

### 16 Financial instruments

	Group 2023 £	2022 £	Company 2023 £	2022 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	1,086,030	984,023	2,619,142	2,593,043
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	2,661,249	1,943,551	2,628,453	2,975,304

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 17 Inventories

	Group 2023 £	2022 £	Company 2023 £	2022 £
Finished goods and goods for resale	503,613	681,033	-	-

### 18 Trade and other receivables

	Group 2023 £	2022 £	Company 2023 £	2022 £
<b>Amounts falling due within one year:</b>				
Trade receivables	1,059,015	959,504	-	-
Corporation tax recoverable	208,736	139,278	-	-
Amounts due from group undertakings	-	-	2,598,431	2,589,146
Amounts due from related undertakings	-	24,215	-	-
Other receivables	30,345	3,718	24,041	2,766
Prepayments and accrued income	452,669	141,145	-	-
	<u>1,750,765</u>	<u>1,267,860</u>	<u>2,622,472</u>	<u>2,591,912</u>

### 19 Current liabilities

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	-	123,576	-	123,576
Trade payables	864,010	624,639	9,851	3,823
Amounts due to group undertakings	-	-	2,613,602	2,605,410
Other taxation and social security	213,294	130,447	-	-
Other payables	1,202,909	264,608	-	-
Accruals and deferred income	594,330	930,728	5,000	2,500
	<u>2,874,543</u>	<u>2,073,998</u>	<u>2,628,453</u>	<u>2,735,309</u>

The bank loan is secured by a fixed and floating charge over all assets of the company.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023 £	Liabilities 2022 £
<b>Group</b>		
Accelerated capital allowances	34,634	24,567

#### Company

The company has no deferred tax assets or liabilities.

### 21 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	17,904	16,485

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 22 Share capital

	Group and company	
	2023 £	2022 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
42,500 Ordinary A shares of £1 each	42,500	42,500
42,500 Ordinary B shares of £1 each	42,500	42,500
15,000 Ordinary C shares of £1 each	15,000	15,000
	100,000	100,000

### 23 Financial commitments, guarantees and contingent liabilities

The company is part of a VAT group with certain undertakings and as such is liable for group VAT liabilities. At 31 March 2023 these amounted to £7,262 (2022: £12,318).

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 24 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Within one year	110,754	85,217	-	-
Between two and five years	415,451	11,455	-	-
	<u>526,205</u>	<u>96,672</u>	<u>-</u>	<u>-</u>

### 25 Related party transactions

#### Transactions with related parties

##### Group

Included within creditors are amounts owed to Day Lewis Medical Limited totalling £677,611 (2022: debtor of £24,215).

Also included within creditors are amounts owed to Gorgemead Limited of £86,789 (2022: £Nil) and Prinwest Limited of £11,718 (2022: £Nil).

The above companies are related by virtue of common shareholders.

##### Company

The company has taken advantage of the exemption available in FRS 102 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

### 26 Controlling party

The company is under the control of Mrs N K Patel and family and Makan Investments Limited who each have a 50% shareholding.

# WALKBOOST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 27 Cash generated from group operations

	2023 £	2022 £
Loss for the year after tax	(983,748)	(1,021,173)
<b>Adjustments for:</b>		
Taxation charged	10,067	20,180
Finance costs	1,268	5,489
Amortisation and impairment of intangible assets	660,977	671,782
Depreciation and impairment of property, plant and equipment	66,749	78,946
<b>Movements in working capital:</b>		
Decrease/(increase) in inventories	177,420	(136,496)
(Increase)/decrease in trade and other receivables	(413,447)	527,198
Increase in trade and other payables	924,121	346,744
<b>Cash generated from operations</b>	<b>443,407</b>	<b>492,670</b>

### 28 Analysis of changes in net funds - group

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	142,162	102,031	244,193
Borrowings excluding overdrafts	(123,576)	123,576	-
	<b>18,586</b>	<b>225,607</b>	<b>244,193</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.