

Company Registration No. 08105959 (England and Wales)

IMAAN HEALTHCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 OCTOBER 2020

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IMAAN HEALTHCARE LIMITED

COMPANY INFORMATION

Directors	Mr Z Malik Mr T Malik
Company number	08105959
Registered office	Unit 2 Micklehead Business Park St Michaels Road Lea Green St Helens WA9 4YU
Auditor	AMS Accountants Corporate Limited Chartered Accountants Statutory Auditor Floor 2 9 Portland Street Manchester M1 3BE
Accountant	AMS Accountants Medical Limited Floor 2 9 Portland Street Manchester M1 3BE

IMAAAN HEALTHCARE LIMITED

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IMAAAN HEALTHCARE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 28 OCTOBER 2020

The directors present the strategic report for the year ended 28 October 2020.

Fair review of the business

Group turnover for the year was £27,403,325 (2019: £27,106,495) with a profit before tax of £1,339,871 (2019 : £72,506)

The Board of Directors and Management are continuing with the expansion of the group for the foreseeable future. This expansion will be both acquisition led and through organic growth.

The group is also working with local CCG's to promote additional healthcare services and are committed to ensuring the staff are trained to very high standards.

Covid-19

On 23 March 2020, the government stepped up measures to prevent the spread of COVID-19 by initiating a national lockdown, resulting in a number of businesses also being closed. Under the issued guidelines, pharmacies were exempt and the group continued to provide essential services to the public. The health and safety of employees, customers and key partners remains to be the groups highest priority, the groups branches and buildings are all operating within a COVID safe environment.

Principal risks and uncertainties

The principal risks to both the group and company is the potential reduction in NHS income due to government cuts being made, while competition is the main risk to wholesale income.

Key performance indicators

The Key Performance Indicators (KPI's) that the company regard as important are:

- a) Gross profit margin
- b) The ratio of administrative expenses to turnover
- c) The ratio of operating profit to turnover
- d) The earnings before interest, tax, depreciation and amortisation

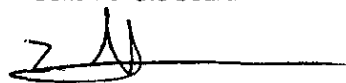
For the period under review the KPI's were as follows:

a) 2020:	29.9%	(2019: 28.1%)
b) 2020:	1 : 4	(2019: 1 : 4)
c) 2020:	1 : 21	(2019: 1 : 374)
d) 2020:	£1,717,071	(2019: £459,805)

Other information and explanations

The group will continue to pursue opportunities in other sectors to diversify its portfolio and mitigate the risk, it will also be looking to build on its relationships with suppliers to generate a strong supply chain link, which in turn improve efficiency. The group has a strong focus on new efficiency development through core innovation of existing services, introduction of new services and technological advancements which provide a strategic advantage to support future growth.

On behalf of the board



Mr Z Malik
Director

21 October 2021

IMAAAN HEALTHCARE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 OCTOBER 2020

The directors present their annual report and financial statements for the year ended 28 October 2020.

Principal activities

The principal activity of the group continued to be that of a retail chemist.

Results and dividends

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

Dividends amounting to £188,086 (2019: £62,916) were paid by the group during the year.

Directors

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

Mr Z Malik

Mr T Malik

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Financial instruments

Treasury operations and financial instruments

The company operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the company's activities.

The company's principal financial instruments include derivative financial instruments, the purpose of which is to manage currency risks and interest rate risks arising from the company's activities, and bank overdrafts, loans and corporate bonds, the main purpose of which is to raise finance for the company's operations. In addition, the company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations. Derivative transactions which the company enters into principally comprise forward exchange contracts. In accordance with the company's treasury policy, derivative instruments are not entered into for speculative purposes.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

Auditor

In accordance with the company's articles, a resolution proposing that AMS Accountants Corporate Limited be reappointed as auditor of the group will be put at a General Meeting.

IMAAAN HEALTHCARE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

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:

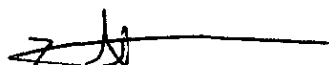
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements 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.

On behalf of the board



Mr Z Malik
Director

21 October 2021

IMAAN HEALTHCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IMAAN HEALTHCARE LIMITED

Qualified opinion

We have audited the financial statements of Imaan Healthcare Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 28 October 2020 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company 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 Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the group and the parent company's affairs as at 28 October 2020 and of its 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 qualified opinion

The evidence available to us was limited because we were unable to verify the stock value as at the year end which is included in the balance sheet at £1,231,824. We were unable to satisfy ourselves by alternative means or by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount is necessary.

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 group's or the parent 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.

IMAAAN HEALTHCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF IMAAN HEALTHCARE LIMITED

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. 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

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, 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.

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

Arising solely from the limitation on the scope of our work relating to stock, referred to above :

- we have not obtained all the information and explanations that we consider necessary for the purposes of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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:

- 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.

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 company or to cease operations, or have no realistic alternative but to do so.

IMAAN HEALTHCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IMAAN HEALTHCARE LIMITED

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.

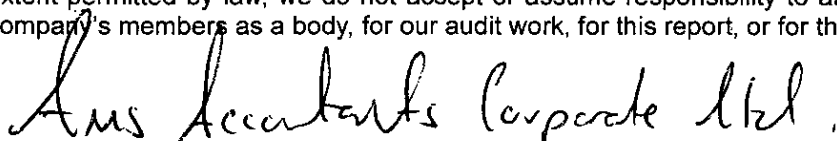
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters which we are required to address

The prior year audit was qualified due to a limitation of scope, regarding the comparative stock balance which is in the financial statements at £1,147,203.

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.



David Clegg (Senior Statutory Auditor)

For and on behalf of AMS Accountants Corporate Limited

21 October 2021

Chartered Accountants

Statutory Auditor

Floor 2
9 Portland Street
Manchester
M1 3BE

IMAAAN HEALTHCARE LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 OCTOBER 2020

	Notes	2020 £	2019 £
Turnover	3	27,403,325	27,106,495
Cost of sales		(19,183,218)	(19,478,752)
Gross profit		8,220,107	7,627,743
Administrative expenses		(7,397,319)	(7,545,602)
Other operating income		500,451	-
Operating profit	4	1,323,239	82,141
Interest receivable and similar income	7	28,280	-
Interest payable and similar expenses	8	(11,648)	(9,635)
Profit before taxation		1,339,871	72,506
Tax on profit	9	(63,958)	(106,506)
Profit/(loss) for the financial year		1,275,913	(34,000)
Profit/(loss) for the financial year is attributable to:			
- Owners of the parent company		1,202,806	(82,488)
- Non-controlling interests		73,107	48,488
		1,275,913	(34,000)
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		1,202,806	(82,488)
- Non-controlling interests		73,107	48,488
		1,275,913	(34,000)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

IMAAN HEALTHCARE LIMITED

GROUP BALANCE SHEET

AS AT 28 OCTOBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Goodwill	10		2,661,864		2,327,988
Other intangible assets	10		2,023		2,456
Total intangible assets			2,663,887		2,330,444
Tangible assets	11		1,262,554		804,669
Investments	12		112,112		112,112
			4,038,553		3,247,225
Current assets					
Stocks	15	1,231,824		1,147,203	
Debtors	16	7,145,913		7,304,428	
Cash at bank and in hand		2,967,314		556,996	
			11,345,051		9,008,627
Creditors: amounts falling due within one year	17	(7,797,146)		(6,357,407)	
Net current assets			3,547,905		2,651,220
Total assets less current liabilities			7,586,458		5,898,445
Creditors: amounts falling due after more than one year	18		(2,289,270)		(1,688,410)
Provisions for liabilities					
Deferred tax liability	20	3,650		4,324	
			(3,650)		(4,324)
Net assets			5,293,538		4,205,711
Capital and reserves					
Called up share capital	22		10,000		10,000
Profit and loss reserves			5,368,676		4,331,238
Equity attributable to owners of the parent company			5,378,676		4,341,238
Non-controlling interests			(85,138)		(135,527)
			5,293,538		4,205,711

IMAAAN HEALTHCARE LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 28 OCTOBER 2020

The financial statements were approved by the board of directors and authorised for issue on 21 October 2021 and are signed on its behalf by:

A handwritten signature in black ink, appearing to be 'Z Malik', followed by a horizontal line.

Mr Z Malik
Director

IMAAAN HEALTHCARE LIMITED

COMPANY BALANCE SHEET

AS AT 28 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	12		202		202
Current assets					
Debtors	16	969,645		969,645	
Net current assets			969,645		969,645
Total assets less current liabilities			969,847		969,847
Creditors: amounts falling due after more than one year	18		(934,909)		(934,909)
Net assets			34,938		34,938
Capital and reserves					
Called up share capital	22		10,000		10,000
Profit and loss reserves			24,938		24,938
Total equity			34,938		34,938

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2019 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 21 October 2021 and are signed on its behalf by:



Mr Z Malik
Director

Company Registration No. 08105959

IMAAN HEALTHCARE LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 OCTOBER 2020

	Notes	Share capital £	Profit and loss reserves £	Total controlling interest £	Non- controlling interest £	Total £
Balance at 29 October 2018		10,000	4,468,618	4,478,618	(10,120)	4,468,498
Year ended 28 October 2019:						
Loss and total comprehensive income for the year		-	(82,488)	(82,488)	48,488	(34,000)
Dividends		-	(54,892)	(54,892)	(8,024)	(62,916)
Other movements		-	-	-	(165,871)	(165,871)
Balance at 28 October 2019		10,000	4,331,238	4,341,238	(135,527)	4,205,711
Year ended 28 October 2020:						
Profit and total comprehensive income for the year		-	1,202,806	1,202,806	73,107	1,275,913
Dividends		-	(165,368)	(165,368)	(22,718)	(188,086)
Balance at 28 October 2020		10,000	5,368,676	5,378,676	(85,138)	5,293,538

IMAAAN HEALTHCARE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 OCTOBER 2020

	Share capital £	Profit and loss reserves £	Total £
Balance at 29 October 2018	10,000	24,938	34,938
	<hr/>	<hr/>	<hr/>
Year ended 28 October 2019:			
Profit and total comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 28 October 2019	10,000	24,938	34,938
	<hr/>	<hr/>	<hr/>
Year ended 28 October 2020:			
Profit and total comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 28 October 2020	10,000	24,938	34,938
	<hr/>	<hr/>	<hr/>

IMAAN HEALTHCARE LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	26		3,346,407		(496,509)
Interest paid			(11,648)		(9,635)
Income taxes paid			(23,087)		(122,106)
Net cash inflow/(outflow) from operating activities			3,311,672		(628,250)
Investing activities					
Purchase of intangible assets		(1,244,647)		(564,166)	
Proceeds on disposal of intangibles		495,525		891,424	
Purchase of tangible fixed assets		(829,328)		(44,426)	
Proceeds on disposal of tangible fixed assets		498,135		-	
Receipts arising from loans made		(85,075)		(45,371)	
Interest received		427		-	
Dividends received		27,853		-	
Net cash (used in)/generated from investing activities			(1,137,110)		237,461
Financing activities					
Repayment of borrowings		445,050		548,557	
Repayment of bank loans		(16,162)		(16,669)	
Dividends paid to equity shareholders		(165,368)		(54,892)	
Dividends paid to non-controlling interests		(22,718)		(8,024)	
Net cash generated from financing activities			240,802		468,972
Net increase in cash and cash equivalents			2,415,364		78,183
Cash and cash equivalents at beginning of year			544,152		435,968
Cash and cash equivalents at end of year			2,961,293		544,152
Relating to:					
Cash at bank and in hand			2,967,314		556,996
Bank overdrafts included in creditors payable within one year			(6,021)		(12,844)
CASH FLOW OUT OF BALANCE BY:			(1,777)		(30,001)

IMAAN HEALTHCARE LIMITED

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net increase in cash and cash equivalents			-		-
Cash and cash equivalents at beginning of year			-		-
Cash and cash equivalents at end of year			-		-

IMAAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

Company information

Imaan Healthcare Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 2 Micklehead Business Park, St Michaels Road, Lea Green, St Helens, WA9 4YU.

The group consists of Imaan Healthcare 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.

1.2 Business combinations

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.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Imaan Healthcare 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 28 October 2020. 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.

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.

IMAAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

(Continued)

1.4 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.

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the group will continue in operational existence for the foreseeable future. However, the directors are aware of material uncertainties which may cause doubt on the group's ability to continue as a going concern.

The directors have considered the uncertainties surrounding the Covid19 pandemic. As a result of this the economy going forward is uncertain, therefore the impact on the company is not yet fully known.

The directors have considered the trading performance in the year and Covid19 and provided their assurance of the continued support in the form of additional loan facilities if required. On this basis 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 annual financial statements.

1.5 Turnover

Turnover 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, 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.

1.6 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life over 5 and 10 years.

1.7 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.

Intangible assets comprise primarily lease premiums paid in advance for the use of the trading premises. Such assets are defined as having finite useful lives and the costs are amortised on a straight line basis over their estimated useful lives of 10 years. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

(Continued)

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:

Lease premium	10 years
---------------	----------

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	No depreciation
Land and buildings Leasehold	At varying rates on cost
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	33% straight line
Motor vehicles	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 profit and loss account.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

IMAAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

(Continued)

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.10 Impairment of fixed 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.

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.

1.11 Stocks

Stocks 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 stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of 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 stocks 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.

1.12 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.

IMAAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

(Continued)

1.13 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 balance sheet 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 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 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.

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.

IMAAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including 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. 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 creditors 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 creditors 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.

1.14 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.

1.15 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.16 Taxation

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

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 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 fixed 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.

1.18 Retirement benefits

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

1.19 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.

1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

1 Accounting policies

(Continued)

1.21 Subsidiary undertakings exempt from audit

Under Section 479a of the Companies Act 2006 available to subsidiary undertakings, the company provides a guarantee in respect of the below subsidiary undertakings claiming exemption from audit.

Slyne Healthcare Limited (08399442)
Imaan Limited (06415284)
Feraz Limited (07050590)
Penyffordd Pharmacy Limited (04329906)
Townfield Pharmacy Limited (04847565)
Hale Village Limited (04730742)
SJZ Limited (06788645)
Nuur Limited (06896612)
Broadheath Healthcare Limited (08086040)
Pebsham Limited (09185923)
Keswick Healthcare Limited (09177781)

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 Turnover and other revenue

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

	2020 £	2019 £
Turnover analysed by class of business		
NHS Sales	21,617,315	20,052,304
Non NHS Sales	5,786,010	7,054,191
	<u>27,403,325</u>	<u>27,106,495</u>
	2020 £	2019 £
Other significant revenue		
Interest income	427	-
Dividends received	<u>27,853</u>	<u>-</u>

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

3	Turnover and other revenue	(Continued)	
		2020	2019
		£	£
	Turnover analysed by geographical market		
	UK	27,403,325	27,106,495
4	Operating profit	2020	2019
		£	£
	Operating profit for the year is stated after charging/(crediting):		
	Depreciation of owned tangible fixed assets	37,429	41,705
	Profit on disposal of tangible fixed assets	(164,121)	-
	Amortisation of intangible assets	378,966	335,957
	Profit on disposal of intangible assets	(495,525)	(891,424)
	Operating lease charges	452,802	484,083
5	Auditor's remuneration	2020	2019
		£	£
	Fees payable to the company's auditor and associates:		
	For audit services		
	Audit of the financial statements of the group and company	12,000	10,000
6	Employees		
	The average monthly number of persons (including directors) employed by the group and company during the year was:		
		Group	Company
		2020	2019
		Number	Number
	Directors	19	18
	Administration	258	281
	Total	277	299

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	3,369,278	3,340,373	-	-
Social security costs	160,847	132,566	-	-
Pension costs	45,720	39,998	-	-
	<u>3,575,845</u>	<u>3,512,937</u>	<u>-</u>	<u>-</u>

7 Interest receivable and similar income

	2020 £	2019 £
Interest income		
Interest on bank deposits	427	-
Income from fixed asset investments		
Income from shares in group undertakings	27,853	-
Total income	<u>28,280</u>	<u>-</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>427</u>	<u>-</u>
--	------------	----------

8 Interest payable and similar expenses

	2020 £	2019 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	7,048	8,105
Other finance costs:		
Other interest	4,600	1,530
Total finance costs	<u>11,648</u>	<u>9,635</u>

9 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	143,469	87,298
Adjustments in respect of prior periods	(78,837)	16,733
Total current tax	<u>64,632</u>	<u>104,031</u>

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

9 Taxation (Continued)

	2020 £	2019 £
Deferred tax		
Origination and reversal of timing differences	(674)	2,475
	<u> </u>	<u> </u>
Total tax charge	63,958	106,506
	<u> </u>	<u> </u>

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

	2020 £	2019 £
Profit before taxation	1,339,871	72,506
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	254,575	13,776
Tax effect of income not taxable in determining taxable profit	-	(2,905)
Tax effect of utilisation of tax losses not previously recognised	(146)	(10,684)
Unutilised tax losses carried forward	(110,759)	95,955
Losses on discontinued operations not recognised	(2,885)	-
Adjustments in respect of prior years	-	16,733
Permanent capital allowances in excess of depreciation	3,168	(8,274)
Depreciation on assets not qualifying for tax allowances	(484)	(570)
Under/(over) provided in prior years	(79,954)	-
Deferred tax	443	2,475
	<u> </u>	<u> </u>
Taxation charge	63,958	106,506
	<u> </u>	<u> </u>

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

10 Intangible fixed assets

Group	Goodwill	Lease premium	Total
	£	£	£
Cost			
At 29 October 2019	3,157,919	4,333	3,162,252
Additions	1,244,647	-	1,244,647
Disposals	(579,091)	-	(579,091)
At 28 October 2020	3,823,475	4,333	3,827,808
Amortisation and impairment			
At 29 October 2019	829,931	1,877	831,808
Amortisation charged for the year	378,533	433	378,966
Disposals	(46,853)	-	(46,853)
At 28 October 2020	1,161,611	2,310	1,163,921
Carrying amount			
At 28 October 2020	2,661,864	2,023	2,663,887
At 28 October 2019	2,327,988	2,456	2,330,444

The company had no intangible fixed assets at 28 October 2020 or 28 October 2019.

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

11 Tangible fixed assets

Group	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 29 October 2019	367,719	426,386	328,087	47,683	49,298	1,219,173
Additions	815,776	-	9,213	4,339	-	829,328
Disposals	(334,014)	-	-	-	-	(334,014)
At 28 October 2020	849,481	426,386	337,300	52,022	49,298	1,714,487
Depreciation and impairment						
At 29 October 2019	637	80,758	273,715	37,076	22,318	414,504
Depreciation charged in the year	86	5,404	15,157	10,037	6,745	37,429
At 28 October 2020	723	86,162	288,872	47,113	29,063	451,933
Carrying amount						
At 28 October 2020	848,758	340,224	48,428	4,909	20,235	1,262,554
At 28 October 2019	367,082	345,628	54,372	10,607	26,980	804,669

The company had no tangible fixed assets at 28 October 2020 or 28 October 2019.

12 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	13	-	-	202	202
Investments in associates		51	51	-	-
Unlisted investments		112,061	112,061	-	-
		112,112	112,112	202	202

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

12 Fixed asset investments

(Continued)

Movements in fixed asset investments

Group

	Shares in associates £	Other investments £	Total £
Cost or valuation			
At 29 October 2019 and 28 October 2020	51	112,061	112,112
Carrying amount			
At 28 October 2020	51	112,061	112,112
At 28 October 2019	51	112,061	112,112

Movements in fixed asset investments

Company

Shares in
subsidiaries
£

Cost or valuation	
At 29 October 2019 and 28 October 2020	202
Carrying amount	
At 28 October 2020	202
At 28 October 2019	202

13 Subsidiaries

Details of the company's subsidiaries at 28 October 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Broadheath Healthcare Limited	UK	Ordinary	-	80.00
Feraz Limited	UK	Ordinary	-	100.00
Hale Village Limited	UK	Ordinary	-	100.00
Imaan Limited	UK	Ordinary	100.00	-
Keswick Healthcare Limited	UK	Ordinary	-	100.00
Nuur Limited	UK	Ordinary	-	100.00
Pebsham Limited	UK	Ordinary	-	75.00
Penyffordd Pharmacy Limited	UK	Ordinary	-	100.00
SJZ Limited	UK	Ordinary	-	90.00
Slyne Healthcare Limited	UK	Ordinary	-	65.00
Townfield Pharmacy Limited	UK	Ordinary	-	100.00

The investments in subsidiaries are all stated at cost but have been removed on consolidation.

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

14 Financial instruments

	Group 2020 £	2019 £	Company 2020 £	2019 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	6,645,760	7,036,708	969,645	969,645
Equity instruments measured at cost less impairment	112,061	112,061	-	-
Carrying amount of financial liabilities				
Measured at amortised cost	9,756,895	7,835,635	934,909	934,909

15 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Finished goods and goods for resale	1,231,824	1,147,203	-	-

16 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	2,405,581	3,659,763	-	-
Amounts owed by group undertakings	-	-	969,645	969,645
Other debtors	4,583,036	3,533,923	-	-
Prepayments and accrued income	157,296	110,742	-	-
	7,145,913	7,304,428	969,645	969,645

17 Creditors: amounts falling due within one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	19	29,231	36,054	-	-
Trade creditors		5,517,317	4,709,800	-	-
Corporation tax payable		193,519	151,974	-	-
Other taxation and social security		136,002	58,208	-	-
Other creditors		1,495,992	933,459	-	-
Accruals and deferred income		425,085	467,912	-	-
		7,797,146	6,357,407	-	-

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

18 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	19	61,308	77,470	-	-
Other borrowings	19	2,055,990	1,610,940	934,909	934,909
Other creditors		171,972	-	-	-
		<u>2,289,270</u>	<u>1,688,410</u>	<u>934,909</u>	<u>934,909</u>

19 Loans and overdrafts

		Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans		84,518	100,680	-	-
Bank overdrafts		6,021	12,844	-	-
Other loans		2,055,990	1,610,940	934,909	934,909
		<u>2,146,529</u>	<u>1,724,464</u>	<u>934,909</u>	<u>934,909</u>
Payable within one year		29,231	36,054	-	-
Payable after one year		<u>2,117,298</u>	<u>1,688,410</u>	<u>934,909</u>	<u>934,909</u>

The bank loans are secured by a fixed and floating charge over the assets of the group. They will be due for full repayment in 2025, and sharia law has been applied to the loans so interest isn't applied using a standard rate of interest. Instead the banks receive a share of profit based on the risk associated with their loan in addition to the repayment of capital. This has been classed as bank interest charged however in the profit and loss account, as this is the generally accepted classification of the bank's profit on investment.

The other loans are due for full repayment in 2025, and interest is charged at a rate of 0.68% per month on the amount outstanding.

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2020 £	Liabilities 2019 £
Group		
Accelerated capital allowances	<u>7,838</u>	<u>1,850</u>

The company has no deferred tax assets or liabilities.

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

20 Deferred taxation

(Continued)

	Group 2020 £	Company 2020 £
Movements in the year:		
Liability at 29 October 2019	4,324	-
Credit to profit or loss	(674)	-
Liability at 28 October 2020	3,650	-

The deferred tax asset set out above is expected to reverse within the foreseeable future and relates to the depreciation charged in excess of capital allowances claimed. The deferred tax liability set out above is expected to reverse within the foreseeable future and relates to accelerated capital allowances.

21 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	45,720	39,998

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

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital				
Issued and fully paid				
Ordinary A of 1p each	999,800	999,800	9,998	9,998
Ordinary B of 1p each	100	100	1	1
Ordinary C of 1p each	100	100	1	1
	1,000,000	1,000,000	10,000	10,000

Each class of share issued is non-redeemable and ranks equally in terms of voting rights, rights to participate in all approved dividend distributions for that class of share and rights to participate in any capital distribution on winding up.

IMAAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

23 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 2020 £	2019 £	Company 2020 £	2019 £
Within one year	520,124	482,374	-	-
Between two and five years	566,866	529,116	-	-
In over five years	330,900	366,438	-	-
	<u>1,417,890</u>	<u>1,377,928</u>	<u>-</u>	<u>-</u>

24 Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2020 £	2019 £
Group		
Other related parties	<u>1,263,703</u>	<u>735,061</u>

The above balances are interest free, unsecured and repayable on demand.

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2020 Balance £	2019 Balance £
Group		
Other related parties	<u>1,897,229</u>	<u>1,709,622</u>

Other information

The group has taken advantage of FRS 102, section 33.1A available to groups producing consolidated group financial statements and transactions with wholly owned subsidiaries, and has chosen not to disclose related party transactions within the group.

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

25 Directors' transactions

At the balance sheet date, a balance of £974,751 (2019: £950,468) was due to the Directors.

These advances by the directors are repayable in one year and a day which is reviewed on an annual basis. They have also indicated their support for the foreseeable future so these have been classed as long-term liabilities of the group. These are also interest free and no effective rate of interest at the market rate of 3% has been charged as it is considered immaterial.

26 Cash generated from/(absorbed by) group operations

	2020 £	2019 £
Profit/(loss) for the year after tax	1,275,913	(34,000)
Adjustments for:		
Taxation charged	63,958	106,506
Finance costs	11,648	9,635
Investment income	(28,280)	-
Gain on disposal of tangible fixed assets	(164,121)	-
Gain on disposal of intangible assets	(495,525)	(891,424)
Amortisation and impairment of intangible assets	378,966	335,957
Depreciation and impairment of tangible fixed assets	37,429	41,705
Movements in working capital:		
(Increase)/decrease in stocks	(84,621)	359,541
Decrease in debtors	316,517	340,488
Increase/(decrease) in creditors	2,034,523	(764,917)
Cash generated from/(absorbed by) operations	3,346,407	(496,509)

27 Cash absorbed by operations - company

	2020 £	2019 £
Profit for the year after tax	-	-
Cash absorbed by operations	-	-

IMAAN HEALTHCARE LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 OCTOBER 2020

28 Analysis of changes in net funds/(debt) - group

	29 October 2019 £	Cash flows £	28 October 2020 £
Cash at bank and in hand	556,996	2,410,318	2,967,314
Bank overdrafts	(12,844)	6,823	(6,021)
	<u>544,152</u>	<u>2,417,141</u>	<u>2,961,293</u>
Borrowings excluding overdrafts	(1,711,620)	(428,888)	(2,140,508)
	<u>(1,167,468)</u>	<u>1,988,253</u>	<u>820,785</u>

29 Analysis of changes in net debt - company

	29 October 2019 £	28 October 2020 £
Borrowings excluding overdrafts	(934,909)	(934,909)