

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTOR AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022
FOR
WELLBEING (UNITED KINGDOM) LIMITED**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 28 February 2022**

	Page
Company Information	1
Group Strategic Report	2
Report of the Director	3
Report of the Independent Auditors	4
Consolidated Statement of Comprehensive Income	8
Consolidated Balance Sheet	9
Company Balance Sheet	10
Consolidated Statement of Changes in Equity	11
Company Statement of Changes in Equity	12
Consolidated Cash Flow Statement	13
Notes to the Consolidated Cash Flow Statement	14
Notes to the Consolidated Financial Statements	16

WELLBEING (UNITED KINGDOM) LIMITED

COMPANY INFORMATION
for the year ended 28 February 2022

DIRECTOR: S Seow

SECRETARY: M M Raza

REGISTERED OFFICE: 8 Prior Deram Walk
Coventry
West Midlands
CV4 8FT

REGISTERED NUMBER: 06994034 (England and Wales)

AUDITORS: Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

**GROUP STRATEGIC REPORT
for the year ended 28 February 2022**

The director presents his strategic report of the company and the group for the year ended 28 February 2022.

REVIEW OF BUSINESS

The principal activity of the Group is that of retail dispensing chemists. Turnover has increased by £1,488,965 compared to 2021 which is largely due to the acquisition of further chemists at various stages through the year across the Group.

PRINCIPAL RISKS AND UNCERTAINTIES

The pharmacy sector is closely monitored by the Department of Health. The drug pricing levels determined by the Department of Health directly impact the Group and thereby has an affect upon the Group's turnover and profitability. The Group closely monitors costs and proactively responds to drug shortages.

DEVELOPMENT AND PERFORMANCE

The Group continues to trade strongly. Key performance indicators are:
2021

Turnover increase 1,488,965 2,506,181

Gross margin percentage increase/(decrease) 3.1% -2.80%

Increase in number of employees 11 18

The Group has continued to invest in the new year, with new computers and a new till system. A robot has also been installed at one pharmacy.

The Group remains acquisitive of new businesses in the new year.

The Group R&D activities continue in regard to the design and development of a centralised software system for multiple pharmacies.

ON BEHALF OF THE BOARD:

S Seow - Director

1 February 2023

**REPORT OF THE DIRECTOR
for the year ended 28 February 2022**

The director presents his report with the financial statements of the company and the group for the year ended 28 February 2022.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of retail chemists.

DIVIDENDS

No dividends will be distributed for the year ended 28 February 2022.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR

S Seow held office during the whole of the period from 1 March 2021 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

S Seow - Director

1 February 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WELLBEING (UNITED KINGDOM) LIMITED

Qualified opinion

We have audited the financial statements of Wellbeing (United Kingdom) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 28 February 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the Company as at 28th February 2021 in accordance with the Financial Reporting Framework.

Basis for Qualified 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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.

Due to the nature and timing of the auditors' work, the timing of the auditors' appointment is such that the auditor is unable to obtain independent inventory confirmation at 28th February 2020. We were unable to obtain sufficient audit evidence about the existence of physical inventories as at 28th February 2020. Consequently, we were unable to determine whether any adjustments to the value of inventories were necessary.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 the 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WELLBEING (UNITED KINGDOM) LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is responsible for assessing the group's and 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WELLBEING (UNITED KINGDOM) LIMITED

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- reference to past history and experience of the Group and knowledge of the Sector,
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Group's procedures relating to:
 - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud.
- assessment of the controls and processes that the Group has in place to mitigate risk

Our assessments included the identification of the following potential areas for fraud:

- Management override of control;
- Physical inventory count not undertaken at 28th February 2020.

We design audit procedures by tailored and directed testing to aid and support the level of determined level of risk. In response to the assessed risk we plan audit tests and procedures that target specific areas where misstatement may occur. These procedures and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We critically assessed the appropriateness and tested the application of the revenue and cost recognition policies
- We tested the appropriateness of accounting journals and other adjustments made in the preparation of the financial statements
- We reviewed the Group's accounting policies for non-compliance with relevant standards.
- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations

In performing an audit in accordance with UK GAAP, we exercise professional judgement and maintain professional scepticism throughout the audit process.

All engagement team members were made aware of relevant identified laws and regulations and potential fraud risks and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WELLBEING (UNITED KINGDOM) LIMITED**

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 a Report of the Auditors 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.

Ashwani Rishiraj BA FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
1110 Elliott Court
Coventry Business Park
Herald Avenue
Coventry
West Midlands
CV5 6UB

1 February 2023

**CONSOLIDATED
STATEMENT OF COMPREHENSIVE
INCOME
for the year ended 28 February 2022**

	Notes	2022 £	2021 £
TURNOVER		11,939,429	10,450,464
Cost of sales		<u>7,553,272</u>	<u>6,939,865</u>
GROSS PROFIT		4,386,157	3,510,599
Administrative expenses		<u>4,857,307</u> (471,150)	<u>3,967,510</u> (456,911)
Other operating income		<u>1,198,590</u>	<u>788,478</u>
OPERATING PROFIT	4	727,440	331,567
Interest receivable and similar income		<u>19</u> 727,459	<u>12</u> 331,579
Interest payable and similar expenses	5	<u>256,544</u>	<u>245,348</u>
PROFIT BEFORE TAXATION		470,915	86,231
Tax on profit	6	<u>(24,931)</u>	<u>127,408</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		495,846	(41,177)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>495,846</u>	<u>(41,177)</u>
Profit/(loss) attributable to:			
Owners of the parent		328,373	(189,044)
Non-controlling interests		<u>167,473</u> <u>495,846</u>	<u>147,867</u> <u>(41,177)</u>
Total comprehensive income attributable to:			
Owners of the parent		335,562	(189,044)
Non-controlling interests		<u>160,284</u> <u>495,846</u>	<u>147,867</u> <u>(41,177)</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
28 February 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	8		4,567,465		3,204,826
Tangible assets	9		2,955,677		588,392
Investments	10		-		-
Investment property	11		-		2,316,393
			<u>7,523,142</u>		<u>6,109,611</u>
CURRENT ASSETS					
Stocks	12	861,248		698,202	
Debtors	13	1,748,710		2,132,942	
Cash at bank and in hand		<u>1,441,631</u>		<u>737,172</u>	
		4,051,589		3,568,316	
CREDITORS					
Amounts falling due within one year	14	<u>5,870,143</u>		<u>5,254,524</u>	
NET CURRENT LIABILITIES			<u>(1,818,554)</u>		<u>(1,686,208)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,704,588		4,423,403
CREDITORS					
Amounts falling due after more than one year	15		(4,937,883)		(4,143,272)
PROVISIONS FOR LIABILITIES	19		<u>(100,402)</u>		<u>(87,485)</u>
NET ASSETS			<u>666,303</u>		<u>192,646</u>
CAPITAL AND RESERVES					
Called up share capital	20		2		2
Retained earnings	21		<u>304,411</u>		<u>(23,962)</u>
SHAREHOLDERS' FUNDS			304,413		(23,960)
NON-CONTROLLING INTERESTS	22		<u>361,890</u>		<u>216,606</u>
TOTAL EQUITY			<u>666,303</u>		<u>192,646</u>

The financial statements were approved by the director and authorised for issue on 1 February 2023 and were signed by:

S Seow - Director

COMPANY BALANCE SHEET
28 February 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	8		2,542,246		2,218,737
Tangible assets	9		2,762,002		457,722
Investments	10		1,322,730		1,260,230
Investment property	11		-		2,316,393
			<u>6,626,978</u>		<u>6,253,082</u>
CURRENT ASSETS					
Stocks	12	429,204		421,388	
Debtors	13	1,653,662		1,880,005	
Cash at bank and in hand		<u>504,158</u>		<u>104,266</u>	
		2,587,024		2,405,659	
CREDITORS					
Amounts falling due within one year	14	<u>4,641,171</u>		<u>4,333,022</u>	
NET CURRENT LIABILITIES			<u>(2,054,147)</u>		<u>(1,927,363)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,572,831		4,325,719
CREDITORS					
Amounts falling due after more than one year	15		(4,078,506)		(4,056,277)
PROVISIONS FOR LIABILITIES	19		<u>(67,801)</u>		<u>(69,942)</u>
NET ASSETS			<u>426,524</u>		<u>199,500</u>
CAPITAL AND RESERVES					
Called up share capital	20		2		2
Retained earnings	21		<u>426,522</u>		<u>199,498</u>
SHAREHOLDERS' FUNDS			<u>426,524</u>		<u>199,500</u>
Company's profit/(loss) for the financial year			<u>227,024</u>		<u>(190,842)</u>

The financial statements were approved by the director and authorised for issue on 31 January 2023 and were signed by:

S Seow - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 28 February 2022

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
Balance at 29 February 2020	2	165,082	165,084	128,739	293,823
Changes in equity					
Dividends	-	-	-	(60,000)	(60,000)
Total comprehensive income	-	(189,044)	(189,044)	147,867	(41,177)
Balance at 28 February 2021	<u>2</u>	<u>(23,962)</u>	<u>(23,960)</u>	<u>216,606</u>	<u>192,646</u>
Changes in equity					
Dividends	-	-	-	(15,000)	(15,000)
Total comprehensive income	-	328,373	328,373	160,284	488,657
Balance at 28 February 2022	<u>2</u>	<u>304,411</u>	<u>304,413</u>	<u>361,890</u>	<u>666,303</u>

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 28 February 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 29 February 2020	2	390,340	390,342
Changes in equity			
Total comprehensive income	-	(190,842)	(190,842)
Balance at 28 February 2021	<u>2</u>	<u>199,498</u>	<u>199,500</u>
Changes in equity			
Total comprehensive income	-	227,024	227,024
Balance at 28 February 2022	<u>2</u>	<u>426,522</u>	<u>426,524</u>

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 28 February 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	2,494,411	1,165,281
Interest paid		(256,544)	(245,348)
Tax paid		(52,649)	(204,295)
Net cash from operating activities		<u>2,185,218</u>	<u>715,638</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(1,599,243)	(743,653)
Purchase of tangible fixed assets		(109,233)	(90,470)
Purchase of subsidiary companies		(357,270)	-
Cash acquired as part of acquisitions		40,777	-
Interest received		19	12
Net cash from investing activities		<u>(2,024,950)</u>	<u>(834,111)</u>
Cash flows from financing activities			
New loans in year		1,165,000	150,000
Loan repayments in year		(590,161)	(217,611)
Capital repayments in year		(7,417)	-
Amount withdrawn by directors		(8,231)	223,640
Dividends paid to minority interests		(15,000)	(60,000)
Net cash from financing activities		<u>544,191</u>	<u>96,029</u>
Increase/(decrease) in cash and cash equivalents		<u>704,459</u>	<u>(22,444)</u>
Cash and cash equivalents at beginning of year	2	737,172	759,616
Cash and cash equivalents at end of year	2	<u>1,441,631</u>	<u>737,172</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 28 February 2022

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022 £	2021 £
Profit before taxation	470,915	86,231
Depreciation charges	645,611	569,936
Finance costs	256,544	245,348
Finance income	(19)	(12)
	<u>1,373,051</u>	<u>901,503</u>
(Increase)/decrease in stocks	(145,056)	145,770
Decrease/(increase) in trade and other debtors	697,644	(1,017,537)
Increase in trade and other creditors	<u>568,772</u>	<u>1,135,545</u>
Cash generated from operations	<u><u>2,494,411</u></u>	<u><u>1,165,281</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 28 February 2022

	28.2.22 £	1.3.21 £
Cash and cash equivalents	<u>1,441,631</u>	<u>737,172</u>

Year ended 28 February 2021

	28.2.21 £	29.2.20 £
Cash and cash equivalents	<u>737,172</u>	<u>759,616</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.3.21 £	Cash flow £	At 28.2.22 £
Net cash			
Cash at bank and in hand	<u>737,172</u>	<u>704,459</u>	<u>1,441,631</u>
	<u>737,172</u>	<u>704,459</u>	<u>1,441,631</u>
Debt			
Finance leases	(9,680)	7,417	(2,263)
Debts falling due within 1 year	(291,590)	(61,441)	(353,031)
Debts falling due after 1 year	<u>(4,141,277)</u>	<u>(796,606)</u>	<u>(4,937,883)</u>
	<u>(4,442,547)</u>	<u>(850,630)</u>	<u>(5,293,177)</u>
Total	<u><u>(3,705,375)</u></u>	<u><u>(146,171)</u></u>	<u><u>(3,851,546)</u></u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 28 February 2022

4. ACQUISITION OF BUSINESS

Balance sheet at date of acquisition:

Tangible fixed assets	29,088
Stock	17,990
Debtors	56,249
Cash at bank	40,777
Creditors	-43,758
Taxation	-3,609
Deferred taxation	-5,736
Goodwill on acquisition	266,269
<u>Total Purchase Price</u>	<u>£357,270</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 28 February 2022

1. **STATUTORY INFORMATION**

Wellbeing (United Kingdom) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

All subsidiaries of the Group have been accounted for using the acquisition method set out in Section 9 paragraph 13 onwards of FRS 102.

The financial statements consolidate the results of the Company and all its subsidiaries for the year ended 28th February 2022 and shows the results of the Group for the year to 28th February 2022.

In all instances, the consolidation is adjusted for minority interests and intra-group transactions are eliminated.

Turnover

The policies adopted for the recognition of turnover are as follows:-

NHS Income

NHS income is recognised in line with statements FP34. Adjustments are made for any income earned but not yet received.

Over the counter (OTC) sales

OTC sales are recorded as per till records and are therefore recognised at point of sale.

Goodwill

Goodwill on consolidation has been accounted for in line with FRS 102 Section 19 procedures.

Goodwill on consolidation is being amortised over its estimated useful life of 10 years.

Goodwill in relation to the acquisition of a business in 2009 is being written off over its estimated economic life of 10 years.

Goodwill in relation to the acquisition of a business in 2011 is being written off over its estimated economic life of 10 years.

Goodwill in relation to the acquisition of a business in 2013 is being written off over its estimated economic life of 10 years.

Goodwill in relation to the acquisition of a business in 2020 is being written off over its estimated economic life of 10 years.

Goodwill in relation to the acquisitions of businesses in 2022 is being written off over its estimated economic life of 4, 6 and 10 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Short leasehold	- Equal instalments over period of lease
Long leasehold	- 2% on cost
Improvements to property	- Equal instalments over period of lease
Plant and machinery	- 20% on cost and 10% on reducing balance
Fixtures and fittings	- 25% on reducing balance, 20% on cost and 10% on reducing balance
Motor vehicles	- 20% on cost and 15% on reducing balance
Computer equipment	- 20% on cost and Straight line over 3 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

2. ACCOUNTING POLICIES - continued

Government grants

Government grants received have been released to the profit and loss account during the period on a systematic basis over the period in which the Entity recognises the costs for which the grant is intended to compensate. This is in accordance with FRS 102 section 24.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

3. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	1,917,200	1,587,340
Social security costs	133,596	120,879
Other pension costs	31,999	28,068
	<u>2,082,795</u>	<u>1,736,287</u>

The average number of employees during the year was as follows:

	2022	2021
Administrative and retail	<u>85</u>	<u>74</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 85 (2021 - 74) .

	2022	2021
	£	£
Director's remuneration	<u>-</u>	<u>-</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Other operating leases	282,965	217,549
Depreciation - owned assets	85,249	69,041
Depreciation - assets on hire purchase contracts	1,330	1,330
Goodwill amortisation	284,499	233,277
Goodwill on acquisition amortisation	273,684	266,288
Auditors' remuneration	<u>31,400</u>	<u>12,821</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Other interest	67,860	-
Loan	184,141	245,348
Late payment interest	4,543	-
	<u>256,544</u>	<u>245,348</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

6. TAXATION**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the profit for the year was as follows:

	2022 £	2021 £
Current tax:		
UK corporation tax	184,556	136,595
Prior years	31,704	-
R&D Credit	<u>(248,372)</u>	<u>(4,277)</u>
Total current tax	<u>(32,112)</u>	<u>132,318</u>
Deferred tax	7,181	<u>(4,910)</u>
Tax on profit	<u>(24,931)</u>	<u>127,408</u>

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
Profit before tax	<u>470,915</u>	<u>86,231</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	89,474	16,384
Effects of:		
Expenses not deductible for tax purposes	4,636	(18,295)
Depreciation in excess of capital allowances	90,446	115,921
Utilisation of tax losses	-	(9,740)
Adjustments to tax charge in respect of previous periods	31,704	-
Deferred tax	7,181	(4,910)
Losses carried forward	-	32,325
R&D claim	<u>(248,372)</u>	<u>(4,277)</u>
Total tax (credit)/charge	<u>(24,931)</u>	<u>127,408</u>

7. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

8. INTANGIBLE FIXED ASSETS**Group**

	Goodwill £	Intellectual property £	Goodwill on acquisition £	Totals £
COST				
At 1 March 2021	2,612,352	5	2,662,876	5,275,233
Additions	1,599,235	8	321,579	1,920,822
Impairments	(447,064)	-	-	(447,064)
At 28 February 2022	<u>3,764,523</u>	<u>13</u>	<u>2,984,455</u>	<u>6,748,991</u>
AMORTISATION				
At 1 March 2021	1,471,671	-	598,736	2,070,407
Amortisation for year	284,499	-	273,684	558,183
Impairments	(447,064)	-	-	(447,064)
At 28 February 2022	<u>1,309,106</u>	<u>-</u>	<u>872,420</u>	<u>2,181,526</u>
NET BOOK VALUE				
At 28 February 2022	<u>2,455,417</u>	<u>13</u>	<u>2,112,035</u>	<u>4,567,465</u>
At 28 February 2021	<u>1,140,681</u>	<u>5</u>	<u>2,064,140</u>	<u>3,204,826</u>

Company

	Goodwill £	Intellectual property £	Totals £
COST			
At 1 March 2021	3,647,929	2	3,647,931
Additions	643,766	4	643,770
Impairments	(447,064)	-	(447,064)
At 28 February 2022	<u>3,844,631</u>	<u>6</u>	<u>3,844,637</u>
AMORTISATION			
At 1 March 2021	1,429,194	-	1,429,194
Amortisation for year	320,261	-	320,261
Impairments	(447,064)	-	(447,064)
At 28 February 2022	<u>1,302,391</u>	<u>-</u>	<u>1,302,391</u>
NET BOOK VALUE			
At 28 February 2022	<u>2,542,240</u>	<u>6</u>	<u>2,542,246</u>
At 28 February 2021	<u>2,218,735</u>	<u>2</u>	<u>2,218,737</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

9. TANGIBLE FIXED ASSETS**Group**

	Freehold property £	Short leasehold £	Long leasehold £	Improvements to property £
COST				
At 1 March 2021	-	10,791	-	98,126
Additions	-	4	-	-
Disposals	-	-	-	-
Reclassification/transfer	2,216,393	-	100,000	3,615
At 28 February 2022	<u>2,216,393</u>	<u>10,795</u>	<u>100,000</u>	<u>101,741</u>
DEPRECIATION				
At 1 March 2021	-	830	-	19,731
Charge for year	-	830	-	6,489
Reclassification/transfer	-	-	-	-
At 28 February 2022	<u>-</u>	<u>1,660</u>	<u>-</u>	<u>26,220</u>
NET BOOK VALUE				
At 28 February 2022	<u>2,216,393</u>	<u>9,135</u>	<u>100,000</u>	<u>75,521</u>
At 28 February 2021	<u>-</u>	<u>9,961</u>	<u>-</u>	<u>78,395</u>

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 March 2021	596,651	396,737	106,722	45,304	1,254,331
Additions	9,070	37,562	27,400	35,197	109,233
Disposals	(850)	-	-	-	(850)
Reclassification/transfer	22,317	34,303	-	-	2,376,628
At 28 February 2022	<u>627,188</u>	<u>468,602</u>	<u>134,122</u>	<u>80,501</u>	<u>3,739,342</u>
DEPRECIATION					
At 1 March 2021	291,371	315,493	33,535	4,979	665,939
Charge for year	32,054	15,417	14,241	17,548	86,579
Reclassification/transfer	14,315	16,832	-	-	31,147
At 28 February 2022	<u>337,740</u>	<u>347,742</u>	<u>47,776</u>	<u>22,527</u>	<u>783,665</u>
NET BOOK VALUE					
At 28 February 2022	<u>289,448</u>	<u>120,860</u>	<u>86,346</u>	<u>57,974</u>	<u>2,955,677</u>
At 28 February 2021	<u>305,280</u>	<u>81,244</u>	<u>73,187</u>	<u>40,325</u>	<u>588,392</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

9. TANGIBLE FIXED ASSETS - continued**Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 March 2021	
and 28 February 2022	<u>6,650</u>
DEPRECIATION	
At 1 March 2021	1,330
Charge for year	<u>1,330</u>
At 28 February 2022	<u>2,660</u>
NET BOOK VALUE	
At 28 February 2022	<u>3,990</u>
At 28 February 2021	<u>5,320</u>

Company

	Freehold property £	Short leasehold £	Long leasehold £	Improvements to property £
COST				
At 1 March 2021	-	10,790	-	64,110
Additions	-	1	-	-
Reclassification/transfer	<u>2,216,393</u>	-	<u>100,000</u>	-
At 28 February 2022	<u>2,216,393</u>	<u>10,791</u>	<u>100,000</u>	<u>64,110</u>
DEPRECIATION				
At 1 March 2021	-	830	-	4,932
Charge for year	-	<u>830</u>	-	<u>4,932</u>
At 28 February 2022	-	<u>1,660</u>	-	<u>9,864</u>
NET BOOK VALUE				
At 28 February 2022	<u>2,216,393</u>	<u>9,131</u>	<u>100,000</u>	<u>54,246</u>
At 28 February 2021	-	<u>9,960</u>	-	<u>59,178</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

9. TANGIBLE FIXED ASSETS - continued**Company**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 March 2021	591,801	130,739	68,845	32,499	898,784
Additions	1,859	11,845	10,450	22,722	46,877
Reclassification/transfer	-	-	-	-	2,316,393
At 28 February 2022	<u>593,660</u>	<u>142,584</u>	<u>79,295</u>	<u>55,221</u>	<u>3,262,054</u>
DEPRECIATION					
At 1 March 2021	290,157	115,126	27,389	2,628	441,062
Charge for year	<u>29,811</u>	<u>1,573</u>	<u>7,264</u>	<u>14,580</u>	<u>58,990</u>
At 28 February 2022	<u>319,968</u>	<u>116,699</u>	<u>34,653</u>	<u>17,208</u>	<u>500,052</u>
NET BOOK VALUE					
At 28 February 2022	<u>273,692</u>	<u>25,885</u>	<u>44,642</u>	<u>38,013</u>	<u>2,762,002</u>
At 28 February 2021	<u>301,644</u>	<u>15,613</u>	<u>41,456</u>	<u>29,871</u>	<u>457,722</u>

10. FIXED ASSET INVESTMENTS**Company**

	Shares in group undertakings £
COST	
At 1 March 2021	1,260,230
Additions	<u>62,500</u>
At 28 February 2022	<u>1,322,730</u>
NET BOOK VALUE	
At 28 February 2022	<u>1,322,730</u>
At 28 February 2021	<u>1,260,230</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries**Alchemy Pharmaceuticals Limited**

Registered office: 2 Parsons Lane, Littleport, Ely CB6 1JU

Nature of business: Retail pharmacy

Class of shares:	% holding
Ordinary	60.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 202210. **FIXED ASSET INVESTMENTS - continued****Triclover Limited**

Registered office: 1207 High Road, Romford RM6 4AL

Nature of business: Retail Pharmacy

Class of shares:	%
Ordinary	holding 70.00

Leal Healthcare Limited

Registered office: 8 Prior Deram Walk, Coventry CV4 8FT

Nature of business: Retail Pharmacy

Class of shares:	%
Ordinary	holding 60.00

Care & Cure Partnership Limited

Registered office: 8 Prior Deram Walk, Coventry CV4 8FT

Nature of business: Retail Pharmacy

Class of shares:	%
Ordinary	holding 60.00

Roots Chemist Limited

Registered office: 8 Prior Deram Walk, Coventry CV4 8FT

Nature of business: Retail Pharmacies

Class of shares:	%
Ordinary	holding 100.00

New Exmouth Limited

Registered office: 8 Prior Deram Walk, Coventry CV4 8FT

Nature of business: Retail Pharmacy

Class of shares:	%
Ordinary	holding 85.00

Percentage shareholding increased as from 28th February 2022.

Ross Chemist (Bishopsteignton) Ltd

Registered office: 8 Prior Deram Walk, Coventry CV4 8FT

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 60.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

11. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 March 2021	2,316,393
Reclassification/transfer	(2,316,393)
At 28 February 2022	-
NET BOOK VALUE	
At 28 February 2022	-
At 28 February 2021	<u>2,316,393</u>

Company

	Total £
FAIR VALUE	
At 1 March 2021	2,316,393
Reclassification/transfer	(2,316,393)
At 28 February 2022	-
NET BOOK VALUE	
At 28 February 2022	-
At 28 February 2021	<u>2,316,393</u>

The properties were valued at fair value by the Directors at 28th February 2021.

12. STOCKS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Stocks	<u>861,248</u>	<u>698,202</u>	<u>429,204</u>	<u>421,388</u>

13. DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,212,361	1,794,366	616,822	1,127,696
Amounts owed by group undertakings	-	-	389,161	219,898
Other debtors	298,651	294,194	444,627	517,120
Tax	204,983	31,029	191,552	3,791
Prepayments	<u>17,215</u>	<u>13,353</u>	<u>11,500</u>	<u>11,500</u>
	<u>1,733,210</u>	<u>2,132,942</u>	<u>1,653,662</u>	<u>1,880,005</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

13. DEBTORS - continued

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due after more than one year:				
Other debtors	<u>15,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>1,748,710</u>	<u>2,132,942</u>	<u>1,653,662</u>	<u>1,880,005</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 16)	353,031	291,590	269,057	276,590
Hire purchase contracts (see note 17)	2,263	7,685	-	-
Trade creditors	2,071,644	1,449,797	1,082,490	913,909
Amounts owed to group undertakings	-	-	123,868	100,362
Tax	222,971	130,169	71,632	47,336
Social security and other taxes	45,366	38,698	33,318	35,073
Other creditors	1,614,490	1,908,805	1,532,899	1,568,101
Directors' current accounts	1,381,186	1,389,417	1,381,186	1,373,901
Accrued expenses	<u>179,192</u>	<u>38,363</u>	<u>146,721</u>	<u>17,750</u>
	<u>5,870,143</u>	<u>5,254,524</u>	<u>4,641,171</u>	<u>4,333,022</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans (see note 16)	4,937,883	4,141,277	4,078,506	4,056,277
Hire purchase contracts (see note 17)	<u>-</u>	<u>1,995</u>	<u>-</u>	<u>-</u>
	<u>4,937,883</u>	<u>4,143,272</u>	<u>4,078,506</u>	<u>4,056,277</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>353,031</u>	<u>291,590</u>	<u>269,057</u>	<u>276,590</u>
Amounts falling due between one and two years:				
Bank loans	<u>366,813</u>	<u>256,046</u>	<u>279,428</u>	<u>236,046</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>1,235,772</u>	<u>826,732</u>	<u>891,495</u>	<u>766,732</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>3,335,298</u>	<u>3,058,499</u>	<u>2,907,583</u>	<u>3,053,499</u>

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	2,263	7,685
Between one and five years	<u>-</u>	<u>1,995</u>
	<u>2,263</u>	<u>9,680</u>

Group

	Non-cancellable	operating leases
	2022	2021
	£	£
Within one year	254,897	231,025
Between one and five years	643,614	693,554
In more than five years	<u>948,402</u>	<u>980,967</u>
	<u>1,846,913</u>	<u>1,905,546</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

17. LEASING AGREEMENTS - continued**Company**

	Non-cancellable	operating leases
	2022	2021
	£	£
Within one year	101,525	85,525
Between one and five years	229,163	253,522
In more than five years	<u>264,375</u>	<u>306,875</u>
	<u>595,063</u>	<u>645,922</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	<u>5,290,914</u>	<u>4,432,867</u>	<u>4,347,563</u>	<u>4,332,867</u>

The Bank holds a first legal charge over the freehold property at 13-15 Replingham Road, London,.An unlimited debenture has been given and there is a right of set off between Wellbeing (United Kingdom) Ltd, Triclover Ltd, Alchemy Pharmaceuticals Ltd, Roots Chemist Ltd, Leal Healthcare Ltd, Care & Cure Partnership Ltd, New Exmouth Ltd, Ross Chemist (Bishopsteignton) Ltd; all being members of the Group.

Other Companies included in right of set off include Automeds Pharmacy Ltd and Portland Assets Ltd.

A bank loan totalling £397,317 is secured by a first legal charge over the leasehold land and buildings of Leal Healthcare Ltd. A bank loan totalling £220,734 is secured by a first legal charge over the leasehold land and buildings at Bishopsteignton. A bank loan totalling £282,800 is secured by way of a fixed and floating charge on the assets of Care & Cure Partnership Ltd.

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Deferred tax	<u>100,402</u>	<u>87,485</u>	<u>67,801</u>	<u>69,942</u>

Group

	Deferred tax £
Balance at 1 March 2021	87,485
Charge to Statement of Comprehensive Income during year	7,181
Acquisition of sub-subsidiary	<u>5,736</u>
Balance at 28 February 2022	<u>100,402</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

19. PROVISIONS FOR LIABILITIES - continued**Company**

	Deferred tax £
Balance at 1 March 2021	69,942
Credit to Statement of Comprehensive Income during year	<u>(2,141)</u>
Balance at 28 February 2022	<u>67,801</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £	2021 £
2	Ordinary	£1	<u>2</u>	<u>2</u>

All shares rank pari passu in all respects.

21. RESERVES**Group**

	Retained earnings £
At 1 March 2021	(23,962)
Profit for the year	<u>328,373</u>
At 28 February 2022	<u>304,411</u>

Company

	Retained earnings £
At 1 March 2021	199,498
Profit for the year	<u>227,024</u>
At 28 February 2022	<u>426,522</u>

22. NON-CONTROLLING INTERESTS

Minority interests relate to a 40% interest in the capital and reserves of Alchemy Pharmaceutical Ltd, a 30% interest in the capital and reserves of Triclover Ltd, a 40% interest in the capital and reserves of Leal Healthcare Ltd, a 40% interest in the capital and reserves of Care & Cure Partnership Ltd and a 15% interest in the capital and reserves of New Exmouth Ltd.

During the year, the profit after tax attributable to minority interests was £167,473 (2021: £147,867).

23. RELATED PARTY DISCLOSURES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 28 February 2022

23. RELATED PARTY DISCLOSURES - continued**Key management personnel of the entity or its parent (in the aggregate)**

	2022	2021
	£	£
Amount due to related party	<u>1,381,186</u>	<u>1,373,901</u>

Other related parties

	2022	2021
	£	£
Recharges of expenses to related parties	448,049	182,907
Professional and consulting fees received	43,176	142,825
Rental income	15,300	13,341
Amount due from related party	178,148	76,510
Amount due to related party	<u>1,014,321</u>	<u>866,706</u>

24. POST BALANCE SHEET EVENTS

The long leasehold property and one of the Freehold properties were sold afterdate on 18th October 2022 at at market value of £280,000.

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.