

---

**HEALTHCARE DRUGSTORES LIMITED**

---

**UNAUDITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

FRIDAY



\*AAJ2FLZF\*

A11

10/12/2021

#26

COMPANIES HOUSE

---

**HEALTHCARE DRUGSTORES LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	Mr J C Patel Mr J C Patel Jnr Miss H Patel
<b>Company secretary</b>	Mr A R Patel
<b>Registered number</b>	07264746
<b>Registered office</b>	2 Peterwood Way Croydon Surrey, England CR0 4UQ

---

## HEALTHCARE DRUGSTORES LIMITED

---

### CONTENTS

---

	Page
Directors' report	1
Profit and loss account	2
Statement of comprehensive income	2
Balance sheet	3
Statement of changes in equity	4
Notes to the financial statements	5 - 11

---

**HEALTHCARE DRUGSTORES LIMITED**

---

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2021**

---

The Directors present their report and the financial statements for the year ended 31 March 2021.

**Principal activity**

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

**Directors**

The Directors who served during the year were:

Mr J C Patel  
Mr J C Patel Jnr  
Miss H Patel

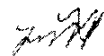
**Post balance sheet events**

On 31 March 2021, the Directors took the decision to hive-up the trade and assets of the company's subsidiary company ABC Drug Stores Limited to Day Lewis Plc, a parent undertaking, after the year end.

**Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



**Mr J C Patel Jnr**  
Director

Date: 29 November 2021

2 Peterwood Way  
Croydon  
Surrey, England  
CR0 4UQ

---

HEALTHCARE DRUGSTORES LIMITED

---

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2021

---

	Note	2021 £	2020 £
Administrative expenses		(30)	3,008
<b>Operating (loss)/profit</b>		<u>(30)</u>	<u>3,008</u>
<b>(Loss)/profit for the financial year</b>		<u><u>(30)</u></u>	<u><u>3,008</u></u>

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2021

---

	Note	2021 £	2020 £
(Loss)/profit for the financial year		(30)	3,008
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u><u>(30)</u></u>	<u><u>3,008</u></u>

The notes on pages 5 to 11 form part of these financial statements.

**HEALTHCARE DRUGSTORES LIMITED**  
**REGISTERED NUMBER:07264746**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	5	2,207,272	2,207,272
		<u>2,207,272</u>	<u>2,207,272</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	15,762,138	15,762,138
Cash at bank and in hand	7	20,190	20,220
		<u>15,782,328</u>	<u>15,782,358</u>
Creditors: amounts falling due within one year	8	(19,273,806)	(19,273,806)
<b>Net current liabilities</b>		<u>(3,491,478)</u>	<u>(3,491,448)</u>
<b>Net liabilities</b>		<u><u>(1,284,206)</u></u>	<u><u>(1,284,176)</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account		(1,284,306)	(1,284,276)
		<u><u>(1,284,206)</u></u>	<u><u>(1,284,176)</u></u>

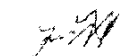
The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Mr J C Patel Jnr**  
Director

Date: 29 November 2021

The notes on pages 5 to 11 form part of these financial statements.

---

HEALTHCARE DRUGSTORES LIMITED

---

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021

---

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	100	(1,284,276)	(1,284,176)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(30)	(30)
<b>Total comprehensive income for the year</b>	-	(30)	(30)
<b>At 31 March 2021</b>	<b>100</b>	<b>(1,284,306)</b>	<b>(1,284,206)</b>

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020

---

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	100	(1,287,284)	(1,287,184)
<b>Comprehensive income for the year</b>			
Profit for the year	-	3,008	3,008
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	3,008	3,008
<b>Total transactions with owners</b>	-	-	-
<b>At 31 March 2020</b>	<b>100</b>	<b>(1,284,276)</b>	<b>(1,284,176)</b>

The notes on pages 5 to 11 form part of these financial statements.

---

## HEALTHCARE DRUGSTORES LIMITED

---

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

---

#### 1. General information

Healthcare Drugstores Limited (the "Company") is a private company limited by shares and incorporated, domiciled and registered in England in the United Kingdom. The address of the registered office is given on company information page. The nature of the company's operations and its principal activities are set out in the director report on page 1.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The functional currency of Healthcare Drugstores Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling and rounded to nearest £.

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Day Lewis Plc as at 31 March 2021 and these financial statements may be obtained from 2 Peterwood Way, Croydon, Surrey, CR0 4UQ.

##### 2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.



---

## HEALTHCARE DRUGSTORES LIMITED

---

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

---

## 2. Accounting policies (continued)

### 2.4 Going concern

In assessing the validity of the going concern basis, and taking account of reasonably plausible downsides, the Directors have prepared financial forecasts for the period until 31 March 2023. In doing so they have considered the level of bank facilities available to the parent company and the Group, and its compliance with bank covenant tests both during the period and for the period ahead. In September 2020, the parent company refinanced its finance facility with 4 banks and now has in place an RCF facility of £125m until at least September 2023. The company is a party as an obligor to the cross guarantees with respect of the Group facilities..

Those forecasts are dependent on the company's immediate parent company, Day Lewis Plc not seeking repayment of the amounts currently due to the group, which at 31 March 2021 amounted to £19,272,312. Day Lewis Plc has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Directors have assessed the impact of COVID-19 on the business has been limited. Based on their examination of its revenue sources, funding arrangements and operational soundness, they do not expect the impact of the current pandemic to present any risk of material degradation of the entity's revenue and margins within the next twelve months. The downside scenarios assume no growth in the next year and no additional funding from Government.

Having considered the Company's financial forecasts and investment and financing commitments for the year until 31 March 2023, the Directors believe the company has sufficient current and future cash reserves and facilities available for it to meet its liabilities including financing obligations for at least eighteen months from the date of signing of the financial statements.

Having considered the above, the Directors conclude that it is appropriate to adopt the going concern basis of accounting because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### 2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

---

## HEALTHCARE DRUGSTORES LIMITED

---

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

---

## 2. Accounting policies (continued)

### 2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

---

## HEALTHCARE DRUGSTORES LIMITED

---

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

---

#### 3. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2020 - £NIL).

#### 4. Taxation

##### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	(30)	3,008
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(6)	572
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	(577)
Group relief	6	5
Total tax charge for the year	-	-

##### Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. The UK deferred tax liability as at 2021 was calculated at 19% (2020: 17%).

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021.

---

HEALTHCARE DRUGSTORES LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

---

5. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 April 2020	2,207,272
At 31 March 2021	<u>2,207,272</u>

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
ABC Drug Stores Limited	Retail pharmacy	Ordinary shares £1 each	100%

The above company only has one class of share capital and were registered at 2 Peterwood Way, Croydon, Surrey, CR0 4UQ.

6. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	15,761,557	15,761,557
Other debtors	581	581
	<u>15,762,138</u>	<u>15,762,138</u>

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	20,190	20,220
	<u>20,190</u>	<u>20,220</u>

---

**HEALTHCARE DRUGSTORES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**8. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>1,188</b>	<b>1,188</b>
Amounts owed to group undertakings	<b>19,272,312</b>	<b>19,272,312</b>
Other creditors	<b>306</b>	<b>306</b>
	<u><b>19,273,806</b></u>	<u><b>19,273,806</b></u>

**9. Financial instruments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value	<b>20,190</b>	<b>20,220</b>
Financial assets measured at amortised cost	<b>15,762,138</b>	<b>15,762,138</b>
	<u><b>15,782,328</b></u>	<u><b>15,782,358</b></u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u><b>(19,273,806)</b></u>	<u><b>(19,273,806)</b></u>

**10. Share capital**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
100 (2020 - 100) Ordinary shares of £1.00 each	<u><b>100</b></u>	<u><b>100</b></u>

**11. Contingent liabilities**

The company is a party to intra-group cross guarantees in respect of bank borrowing within the group.

- Unlimited inter-company guarantees supported by legal charges over various properties and other respective associated assets.

---

**HEALTHCARE DRUGSTORES LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

---

**12. Controlling party**

The company's immediate parent company is Day Lewis PLC, a company registered in England and Wales. It prepares group accounts which are available at Day Lewis House, 2 Peterwood Way, Croydon, Surrey, CR0 4UQ.

The ultimate parent company is Day Lewis Holdings Limited, a company registered in Cyprus and controlled by the KCTP Will Trust.