
HEALTHCARE DRUGSTORES LIMITED

UNAUDITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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HEALTHCARE DRUGSTORES LIMITED

COMPANY INFORMATION

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

HEALTHCARE DRUGSTORES LIMITED

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HEALTHCARE DRUGSTORES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

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

Principal activity

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

Dividends

The loss for the year, after taxation, amounted to £30 (2022 - loss £30).

The Directors have recommended a dividend of £nil (2022 - £nil)

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

There have been no significant events affecting the Company since the year ended 31 March 2023.

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: 11/12/2023

2 Peterwood Way
Croydon
Surrey, England
CR0 4UQ

HEALTHCARE DRUGSTORES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Administrative expenses		(30)	(30)
Operating loss		<u>(30)</u>	<u>(30)</u>
Loss for the financial year		<u>(30)</u>	<u>(30)</u>

There were no recognised gains and losses for 2023 or 2022 other than those included in the Profit and Loss Account.

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 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	6	2,207,272	2,207,272
		<u>2,207,272</u>	<u>2,207,272</u>
Current assets			
Debtors: amounts falling due within one year	7	581	581
Cash at bank and in hand	8	20,130	20,160
		<u>20,711</u>	<u>20,741</u>
Creditors: amounts falling due within one year	9	(3,512,249)	(3,512,249)
Net current liabilities		<u>(3,491,538)</u>	<u>(3,491,508)</u>
Net liabilities		<u>(1,284,266)</u>	<u>(1,284,236)</u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account		(1,284,366)	(1,284,336)
		<u>(1,284,266)</u>	<u>(1,284,236)</u>

For the year ended 31 March 2023 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

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: 11/12/2023

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 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	100	(1,284,336)	(1,284,236)
Comprehensive income for the year			
Loss for the year	-	(30)	(30)
Total comprehensive income for the year	-	(30)	(30)
At 31 March 2023	100	(1,284,366)	(1,284,266)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	100	(1,284,306)	(1,284,206)
Comprehensive income for the year			
Loss for the year	-	(30)	(30)
Total comprehensive income for the year	-	(30)	(30)
At 31 March 2022	100	(1,284,336)	(1,284,236)

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 2023

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 the Company Information page. The nature of the Company's operations and its principal activities are set out in the Directors Report.

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 the Company 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 the 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 FRS 102:

- 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; and
- 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 2023 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 a larger group by a parent undertaking established under the law of any part of the United Kingdom 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 2023

2. Accounting policies (continued)

2.4 Going concern

In assessing the validity of the going concern basis, and taking account of reasonably plausible downsides, covering a period of at least 12 months from the date of approval of these financial statements, the Directors have considered the cash flow forecasts they have prepared for the period until 31 March 2025. 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 (reduced to £110m) until at least September 2025. 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 it, which at 31 March 2023 amounted to £3,510,756. 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.

Having considered the Company's financial forecasts and investment and financing commitments, 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 twelve months from the date of signing of these 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.

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.

HEALTHCARE DRUGSTORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

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 year 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 2023

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that year, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical judgements and estimations that the Directors have made in the process of applying the Company's accounting policies that have had a significant effect on the amounts recognised in the financial statements.

4. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2022 - £Nil).

5. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2022 - the same as) the standard rate of corporation tax in the UK of 19% (2022 - 19%) as set out below:

	2023 £	2022 £
Profit on ordinary activities before tax	(30)	(30)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(6)	(6)
Effects of:		
Group relief	6	-
Deferred tax not recognised	-	6
Total tax charge for the year	-	-

HEALTHCARE DRUGSTORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. **Taxation (continued)**

Factors that may affect future tax charges

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

6. **Fixed asset investments**

	Investments in subsidiary companies £
Cost	
At 1 April 2022	2,207,272
At 31 March 2023	<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.

HEALTHCARE DRUGSTORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. Debtors

	2023 £	2022 £
Other debtors	581	581
	<u>581</u>	<u>581</u>

8. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	20,130	20,160
	<u>20,130</u>	<u>20,160</u>

9. Creditors: Amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	3,511,062	3,510,756
Other creditors	1,187	1,493
	<u>3,512,249</u>	<u>3,512,249</u>

10. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value	20,130	20,160
Financial assets measured at amortised cost	581	581
	<u>20,711</u>	<u>20,741</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(3,512,249)</u>	<u>(3,512,249)</u>

HEALTHCARE DRUGSTORES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
100 (2022 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

12. Contingent liabilities

The Company is a party to intra-group cross guarantees in respect of bank borrowing within the Group, including unlimited inter-company guarantees supported by legal charges over various properties and other respective associated assets.

13. Related party transactions

The Company has taken advantage of the exemption in section 33 of FRS102 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

14. Controlling party

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

The smallest and largest group in which the results of the Company and its group are consolidated in publicly available group financial statements is that headed by Day Lewis Plc, 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.

Copies of the ultimate parent's financial statements are not publicly available.