Registration number: 10414477

METROPHARM LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

METROPHARM LIMITED

Contents

METROPHARM LIMITED

Company Information

Directors	S Amin R P Patel
Registered office	Metro House Unit B6 Redlands Ullswater Crescent Coulsdon Surrey CR5 2HT
Accountants	Harmer Slater Limited Salatin House 19 Cedar Road Sutton Surrey SM2 5DA

METROPHARM LIMITED

(Registration number: 10414477)
Statement of Financial Position as at 31 October 2022

	Note	2022 £	2021 £
Non-current assets			
Intangible assets	4	-	32,760
Property, plant and equipment	5	63,635	65,010
		63,635	97,770
Current assets			
Inventories	6	1,282,295	851,337
Receivables	7	3,149,801	3,286,452
Cash at bank and in hand		30,035	824,514
		4,462,131	4,962,303
Payables: Amounts falling due within one year	8	(5,818,679)	(4,990,754)
Net current liabilities		**(1,356,548)**	**(28,451)**
Total assets less current liabilities		**(1,292,913)**	**69,319**
Provisions for liabilities		(15,448)	(18,508)
Net (liabilities)/assets		**(1,308,361)**	**50,811**
Equity			
Called up share capital	11	1	1
Retained earnings	11	(1,308,362)	50,810
Shareholders' (deficit)/funds		**(1,308,361)**	**50,811**

The notes on pages 4 to 10 form an integral part of these financial statements.

(Registration number: 10414477)
Statement of Financial Position as at 31 October 2022 (continued)

For the financial year ending 31 October 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Income statement.

The financial statements of Metropharm Limited were approved and authorised for issue by the Board on 21 November 2023 and signed on its behalf by:

....

R P Patel
Director

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2022

1 General information

Metropharm Limited (the 'company') is a private company limited by share capital, registered in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 2.

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - '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 and in accordance with FRS 105 'The Financial Reporting Standard applicable to the Micro-entities Regime'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the company is considered to be pound sterling (£) because that is the currency of the primary economic environment in which the company operates. The financial statements are presented in pound sterling (£).

Going concern

The directors has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts.
The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.
Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	25% straight line
Fixtures and fittings	25% straight line

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Software development	20% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2 Accounting policies (continued)

Receivables

Receivables are amounts due from customers for goods sold in the ordinary course of business.
Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.
The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs.
Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income statement over the period of the relevant borrowing.
Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.
Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

2 Accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 30 (2021 - 27).

4 Intangible assets

	Software development £
Cost or valuation	
At 1 November 2021	70,800
Disposals	(70,800)
At 31 October 2022	-
Amortisation	
At 1 November 2021	38,040
Amortisation charge	14,160
Amortisation eliminated on disposals	(52,200)
At 31 October 2022	-
Carrying amount	
At 31 October 2022	**-**
At 31 October 2021	32,760

5 Property, plant and equipment

	Office equipment £
Cost or valuation	
At 1 November 2021	105,292
Additions	25,819
At 31 October 2022	131,111
Depreciation	
At 1 November 2021	40,282
Charge for the year	27,194
At 31 October 2022	67,476
Carrying amount	
At 31 October 2022	**63,635**
At 31 October 2021	65,010

6 Inventories

	2022 £	2021 £
Stock	1,282,295	851,337

7 Receivables

	2022 £	2021 £
Trade receivables	2,933,165	3,190,819
Other receivables	216,636	93,880
Prepayments	-	1,753
	3,149,801	**3,286,452**

8 Payables

Payables: amounts falling due within one year

	2022 £	2021 £
Due within one year		
Loans and borrowings	1,688,034	24,718
Trade payable	2,048,151	1,930,660
Social security and other taxes	44,027	30,781
Other payables	1,752,961	2,965,390
Accruals	285,506	39,205
	5,818,679	4,990,754

9 Dividends

	2022 £	2021 £
Interim dividend of £Nil (2021 - £1,440.00) per ordinary share	-	144,000

10 Related party transactions

At 31 October 2022, R P Patel owed £72,924 to the company. At 31 October 2021 he was owed £1,051 by the company. The loan is interest free and has no fixed repayment date or repayment schedule.
At 31 October 2022, S Amin was owed £1,760,958 by the company (2021: £23,667). The loan is interest free and has no fixed repayment date or repayment schedule.

11 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £0.01 each	100	1	100	1