

**CW Medicines Ltd**  
**Annual Report and Financial Statements**  
**for the period ended 31 March 2022**

Registered number: 13625366



**CW Medicines Ltd**  
**Annual Statements**  
For the period ended 31 March 2022

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# CW Medicines Ltd

## Strategic report

### Overview of the Service

CW Medicines Limited (the company) was incorporated as a limited liability company on 16 September 2021, therefore did not present financial statements for previous periods. The primary activity of the company is dispensing medications to outpatients of Chelsea and Westminster Hospital NHS Foundation Trust (the Trust), the parent undertaker and ultimate parent entity of the group. The company is incorporated in the United Kingdom, registration number 13625366.

The address of its registered office is:

Chelsea and Westminster Hospital, 369 Fulham Road, London, England SW10 9NH

The addresses of its primary places of business are:

Chelsea pharmacy; CW Medicines Limited, Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, London, England SW10 9NH.

Dean Street pharmacy; CW Medicines Limited, Chelsea and Westminster Hospital NHS Foundation Trust, 56 Dean Street, London, England W1D 6AQ.

The company began providing outpatient pharmacy services to the Trust from 04 April 2022. These include dispensing of:

- Medicines prescribed from out-patient clinics;
- Emergency Department prescriptions;
- Systemic Oral Anti-Cancer Medicines (SACT);
- Supportive medications for patients visiting medical day units;
- Medication for delivery to patients' homes.

Additionally, the company retail offer includes sale of over the counter medicinal products and sundries.

### Our mission and objectives

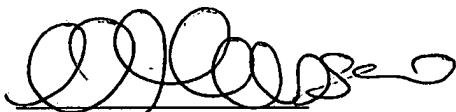
Our mission is to deliver excellence of service to the Trust and to its patients, improving the level of care provided, and to continue expanding the care offering of the group.

### Performance Review

There were no regular trading transactions carried out during the accounting period. The Trust has applied 3,199,999 shares in the capital of the company and £3.2m equity share transfer processed on 30 March 2022. Financial risks are outlined in the Directors' Report (page 2).

There were no key performance indicators in the current year, with the key measure of success getting the company ready for training activities from 04 April 2022. For the future outlook, the company will be providing outpatient pharmacy services as described in above.

Approved by the Board and signed on its behalf by:



Director

# CW Medicines Ltd

## Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and independent auditor's audit report for the period ended 31 March 2022.

### Financial risks:

The credit risk, price risk and liquidity risk are minimal for this company given the ongoing operational controls in place alongside its activity as a wholly owned subsidiary. These risks are further limited in the period due to the volume and nature of the transactions.

### Directors:

During the six and a half month period ended 31 March 2022 and up to the date these statements were signed the following individuals served as directors:

Name	Position	Appointment date
Virginia Massaro	Director	16 September 2021
Deirdre Linnard	Director	31 January 2022
Chirag Patel	Director	03 March 2022

No dividends were paid in the period to any of the Directors and the Directors did not receive any emoluments.

The company holds a number of insurance / indemnity agreements which cover insurance policies (commercial combined with employer's liability, management liability, NPA professional indemnity and defence) and NPA membership.

### Going concern

The directors who served during the period have 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 financial statements. Further details can be found in the significant accounting policies notes in the financial statements on page 9.

### Directors' disclosure to auditors

Each of the persons who are a director at the date of approval of this annual report confirms that:

1. so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware
2. the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information, and to establish that the company's auditors are aware of that information.

**CW Medicines Ltd**  
**Statement of Profit or Loss and Other Comprehensive income**  
For the period ended 31 March 2022

**Board and committee attendance**

No Board meetings were held during 2021/22

**Directors' remuneration:**

Chirag Patel received remuneration for his role in the company.

**Auditors**

The company's appointed external auditors are Deloitte LLP. The auditors provide audit services comprising of carrying out the statutory audit of the company's Annual Accounts as mandated by Companies Act 2006. The cost of this service in 2021/22 was £15k (excl. VAT). Details on the fees for the external audit of the company are shown in note 3. The auditors have been appointed to perform the statutory audit for the next financial period after which re-appointment will be reviewed.

**Indication of future developments**

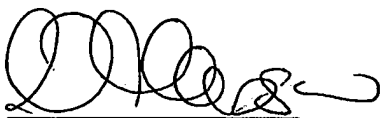
The directors expect activity to start within 2022/23, as documented in the Overview of the Service (page 1).

**Financial risk management**

The company continues to manage its working capital position in order to pay suppliers in a timely manner. Due to the ongoing service level agreement signed with the parent undertaker the financial risk for the company is deemed to be low.

This information is given and should be interpreted in accordance with Section 418 of the Companies Act 2006.

Approved by the Board of Directors and signed on its behalf by:

A handwritten signature in black ink, consisting of several loops and a trailing flourish, positioned above a horizontal line.

Director

## CW Medicines Ltd

### Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

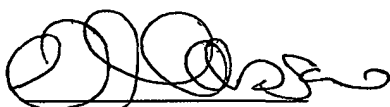
In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

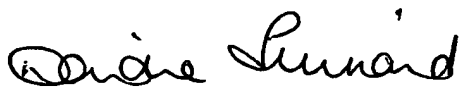
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board:



Director



Director

# **CW Medicines Ltd**

## **Independent auditor's report**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of CW Medicines Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of profit or loss and other comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law, and United Kingdom adopted international accounting standards.

#### **Basis for 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 auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' 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 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.

## **CW Medicines Ltd**

### **Independent auditor's report**

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **CW Medicines Ltd**

### **Independent auditor's report**

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included the UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### **Report on other legal and regulatory requirements**

#### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

## **CW Medicines Ltd**

### **Independent auditor's report**

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

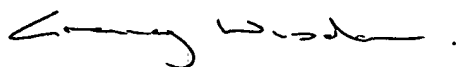
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Craig Wisdom, ACA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

St Albans, United Kingdom

30 March 2023

**CW Medicines Ltd****Statement of Profit or Loss and Other Comprehensive income**

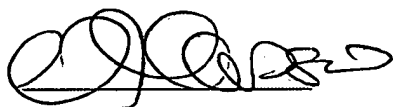
For the period ended 31 March 2022

	Note	2021/22 £000
Turnover		-
Cost of sale		-
<b>Gross Profit/ (Loss)</b>		-
Administrative expenses	4	(12)
Other operating expenses	3	(15)
<b>Operating loss</b>		(27)
Finance costs		-
<b>Loss before taxation</b>		(27)
Tax on loss		-
<b>Loss for the financial year</b>		(27)
<b>Total comprehensive income/(expense) for the year</b>		(27)
<b>Retained loss at 31 March 2022</b>		(27)

**CW Medicines Ltd**  
**Statement of financial position**  
For the period ended 31 March 2022

	Note	2021/22 £000
<b>Current assets:</b>		
Cash and cash equivalents	5	3,193
<b>Total current assets</b>		<u>3,193</u>
<b>Gross assets</b>		<u>3,193</u>
<b>Current liabilities:</b>		
Trade and other payables	7	(20)
<b>Total current liabilities</b>		<u>(20)</u>
<b>Net assets employed</b>		<u>3,173</u>
<b>Financed by</b>		
Called-up share capital	7	3,200
Retained loss	SoCSE	(27)
<b>Total Shareholders' funds</b>		<u>3,173</u>

The financial statements of CW Medicines Ltd (registered number 13625366) were approved by the board of directors and authorised for issue on 30/03/2023. They were signed on its behalf by:



Director

**CW Medicines Ltd**  
**Statement of changes in equity**  
For the period ended 31 March 2022

	<b>Called-up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total £000</b>
<b>At 16 September 2021</b>	-	-	-
<b>Result for the financial year</b>	-	(27)	(27)
<b>Tax relating to items of other comprehensive income</b>	-	-	-
<b>Total comprehensive income/(expense)</b>	-	(27)	(27)
<b>Issue of share capital</b>	3,200	-	3,200
<b>Expenses of equity share issues</b>	-	-	-
<b>Dividends paid on equity shares</b>	-	-	-
<b>At 31 March 2022</b>	<b>3,200</b>	<b>(27)</b>	<b>3,173</b>

**CW Medicines Ltd**  
**Statement of cash flow**  
For the period ended 31 March 2022

	Note	2021/22 £000
(Loss)/ Profit before taxation		(27)
<u>Adjustment for working capital movements:</u>		
Movement in payables and accruals		20
<b>Net cash flow from operating activities</b>		<b>(7)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of share capital	7	3,200
<b>Net cash flows from financing activities</b>		<b>3,200</b>
Cash and cash equivalents at beginning of year		-
<b>Cash and cash equivalents at end of year</b>		<b>3,193</b>
<b>Reconciliation to cash at bank and in hand:</b>		
Cash at bank		3,193
<b>Cash and cash equivalents</b>		<b>3,193</b>

# **CW Medicines Ltd**

## **Notes to the financial statements**

For the period ended 31 March 2022

### **1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

#### **a. General information**

CW Medicines Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England. The address of the company's registered office is shown on page 1.

The principal activities of the company and the nature of its operations are set out in the strategic report on page 1.

The ultimate parent entity is Chelsea and Westminster Hospital NHS Foundation Trust.

#### **b. Basis of preparation**

The financial statements have been prepared in accordance with United Kingdom adopted International accounting standards and with International Financial Reporting Standards as issued by the IASB.

##### *Historical cost convention*

The financial statements have been prepared under the historical cost convention.

##### *Critical accounting estimates*

Critical accounting estimates applied in the preparation of the financial statements are disclosed in note 2.

##### *Functional and presentational currency*

The functional and presentational currency of CW Medicines Limited is considered to be pounds sterling because that is the currency of the economic environment in which the company operates.

The current accounting period is for six and a half months ended 31 March 2022. This is the first reporting period since incorporation, and there has been no normal trading activities involving the company.

#### **c. Going concern**

The financial statements have been prepared using the going concern basis of accounting. The company is in a licencing contract with the parent undertaker (the Trust) for the duration of 5 years starting from 04 April 2022. This will be reviewed yearly to confirm assumptions and prices. The Trust is operating on a going concern basis and fully funds the company's operations. It has been confirmed that the contract will continue for the financial period (FY) 2022-23 and there is no expectation for this to be withdrawn before the end of the contractual terms. A budget has been drafted by the board for the financial period 2023-24 and the company expects to operate for at least the next 12 months from the date of signing of these financial statements. The company management can reliably assume the company will continue to operate for the foreseeable future based on the contractual arrangements with the parent undertaker mentioned above. Therefore, the directors at the time of approval of the financial statements believes going concern is the appropriate basis on which to prepare these accounts.

#### **d. Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is

**CW Medicines Ltd**  
**Notes to the financial statements**  
For the period ended 31 March 2022

no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**e. Cash and cash equivalents**

Cash and cash equivalents include cash in hand. No other cash equivalents were held or recognised in the accounts at 31 March 2022.

**f. Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are classified according to the substance of the contractual arrangements entered into.

**(i) Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Financial assets and liabilities are offset when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when, a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**g. Inventory**

Inventory is stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value (NRV). NRV is the amount by which the estimated selling price of an asset exceeds the sum of any additional costs expected to be incurred during the sale of the asset. Cost is calculated using the FIFO (first-in, first-out) method. Damaged and expired items are derecognised from stock and charged to the profit or loss account in the period they relate to.

**h. Impairment of assets**

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below:

**Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss previously recognised for assets, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Financial assets**



## **CW Medicines Ltd**

### **Notes to the financial statements**

**For the period ended 31 March 2022**

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### **j. Income tax**

Current tax includes UK corporation tax and is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### **k. Revenue recognition**

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Turnover is stated net of VAT and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Performance obligations are satisfied upon each dispensing of drugs to outpatients. A contract is in place with the Trust.

Revenue in respect of drugs dispensing is recognised when (or as) performance obligations are satisfied by transferring drugs to the patients and is measured at the amount of the transaction price as per the contractual agreement; this is recognised in the current period as an accrual and the invoice is raised in the following period. Goods returned in month are subtracted from the revenue recognised in the period. Goods returned in subsequent periods are subtracted from the revenue recognised in the period in which they are returned. No other obligations are applicable.

**CW Medicines Ltd**  
**Notes to the financial statements**  
For the period ended 31 March 2022

**l. Employee benefits**

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**m. Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**n. Trade and other payables and borrowings**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial period and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings are initially recognised at the transaction value and subsequently measured at amortised cost. Borrowings are removed from the statement of financial position when the obligations specified in the contract are discharged, cancelled or expired.

**o. Value-Added Tax ('VAT') and other similar taxes**

Revenue, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

**p. Rounding of amounts**

Amounts in this report have been rounded off to the nearest thousand currency units, or in certain cases, the nearest currency unit.

**q. New Accounting Standards, amendments and Interpretations not yet mandatory or early adopted**

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

**IFRS 16 Leases**

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations and is applicable for periods beginning 01 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

The company has assessed the standard and there is no impact on the financial statements.

**CW Medicines Ltd**  
**Notes to the financial statements**  
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**2. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have an impact on the amounts recognised and to make 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 period, or in the period of the revision and future periods if the revision affects both current and future periods.

IAS 1 requires entities to disclose the judgements and estimates made by management that have the most significant effect on the amounts recognised within the financial statements and the assumptions and other sources of estimation uncertainty where there is a significant risk of material adjustment to the carrying amounts of assets or liabilities within the next year. The company assessment of these is below:

No critical judgements in applying accounting policies or assumptions about the future and other sources of estimation uncertainty were made in the period reported that, if changed in the next reporting period, will have a material impact on the financial statements.

**CW Medicines Ltd**  
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**3. The analysis of the auditor's remuneration is as follows:**

	<b>2021/22</b>
	<b>£000</b>
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	15
Total audit fees	<u>15</u>

Total audit fees for the period reported were £15k (excl. VAT).

**4. Staff numbers and costs**

**4.1 Average monthly number of employees was:**

	<b>2021/22</b>
	<b>number</b>
Pharmacist	1
Technician	1
Administration	1
	<u>3</u>

**4.2 Staff cost including directors:**

	<b>2021/22</b>
	<b>£000</b>
Wages and salaries	7
Social security costs	4
Other pension costs	1
	<u>12</u>

'Other pension costs' includes only defined contribution scheme charges.

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

**4.3 Director's remuneration and transactions**

	<b>2021/22</b>
	<b>£000</b>
Wages and salaries	9
	<u>9</u>

One of the Director has received £9k salary for 2021/22.

The Chair of the Board and other Directors do not receive additional remuneration for their role as company Directors.

**CW Medicines Ltd**  
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**5. Cash and cash equivalents**

	2021/22
	£000
At 16 September 2021	-
Net change in year	3,193
At 31 March 2022	<u>3,193</u>
Broken down into:	
Cash at commercial banks and in hand	3,193
Total Cash and cash equivalents	<u><u>3,193</u></u>

**6. Trade and other payables**

	2021/22
	£000
	▼
Other taxation and social security	(5)
Accruals	(15)
	<u>(20)</u>

**7. Called-up share capital and reserves**

	2021/22
	£000
Allotted, called-up and fully-paid 3.2m ordinary shares of £1 each	3,200
	<u>3,200</u>

The company has one class of ordinary shares which carry no right to fixed income.

During the period the company allotted £3.2m in ordinary shares. This comprised 3,199,999 shares each with a nominal value of £1 which were issued to Chelsea and Westminster Hospital NHS Foundation Trust which make up the total number of authorised shares.

**8. Events after the reporting period**

There have been no material events after the reporting period; noting that trading did start on 04 April 2022 as planned.

**9. Corporation tax**

**CW Medicines Ltd**  
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**The tax charge comprises:**

	<b>2021/22</b>
	<b>£000</b>
<b>Current Tax</b>	-
UK Corporation tax at 19%	-
<b>Total tax</b>	<u>-</u>

From 01 April 2022 a small profits rate (SPR) will be introduced for companies with profits of £50,000 or less so that they will continue to pay Corporation Tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective Corporation Tax rate.

**10. Related party transactions**

The ultimate controlling parent undertaking is Chelsea and Westminster Hospital NHS Foundation Trust, a registered entity in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements of Chelsea and Westminster Hospital NHS Foundation Trust can be obtained from its registered address: Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, London, England SW10 9NH.

During the period to 31 March 2022 there have been no other transactions between the Trust and the company, apart from the acquisition of ordinary shares.