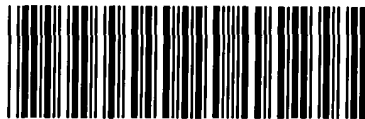


Company Registration No. 07545254 (England and Wales)

**CAVERSHAM HC CONSORTIUM LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 APRIL 2020**

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# CAVERSHAM HC CONSORTIUM LIMITED

## COMPANY INFORMATION

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Director	Mr V Patel	(Appointed 30 April 2020)
Company number	07545254	
Registered office	109-111 Field End Road Pinner Middlesex United Kingdom HA5 1QG	
Auditor	Azets Audit Services Wessex House 20 Oxford Road Newbury RG14 1PA	

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# **CAVERSHAM HC CONSORTIUM LIMITED**

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# CAVERSHAM HC CONSORTIUM LIMITED

## DIRECTOR'S REPORT

**FOR THE PERIOD ENDED 30 APRIL 2020**

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The director presents his annual report and financial statements for the period ended 30 April 2020.

### Principal activities

The principal activity of the company continued to be that of a registered pharmacy.

On 30 April 2020 the whole of the issued share capital was acquired by Enimed Limited.

### Results and dividends

The results for the period are set out on page 5.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

### Director

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

C A Steele	(Appointed 1 May 2019 and resigned 30 April 2020)
Mr V Patel	(Appointed 30 April 2020)
Mr S Anderson	(Resigned 30 April 2020)
Mr K Black	(Resigned 31 May 2019)
Dr A Brewster	(Resigned 30 April 2020)
Mrs S Potter	(Resigned 30 April 2020)
Mr G Taylor	(Resigned 30 April 2019)

### Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's 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. He is 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.

## CAVERSHAM HC CONSORTIUM LIMITED

### DIRECTOR'S REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

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#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr V. Patel  
Director

Date: 26/04/2021

# CAVERSHAM HC CONSORTIUM LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CAVERSHAM HC CONSORTIUM LIMITED

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#### Opinion

We have audited the financial statements of Caversham HC Consortium Limited (the 'company') for the period ended 30 April 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

# CAVERSHAM HC CONSORTIUM LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF CAVERSHAM HC CONSORTIUM LIMITED

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

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 material misstatements in the director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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 website of the Financial Reporting Council at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### 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 him 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.



**Christopher Duggan (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services  
Chartered Accountants  
Statutory Auditor

26th April 2021

Wessex House  
20 Oxford Road  
Newbury  
RG14 1PA

# CAVERSHAM HC CONSORTIUM LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 APRIL 2020

		Period ended 30 April 2020 £	Year ended 31 January 2019 £
	Notes		
Turnover	4	1,439,464	1,114,474
Cost of sales		(1,105,998)	(898,373)
<b>Gross profit</b>		<b>333,466</b>	<b>216,101</b>
Administrative expenses		(274,960)	(408,464)
Other operating income		2,026	-
<b>Operating profit/(loss)</b>	5	<b>60,532</b>	<b>(192,363)</b>
Interest payable and similar expenses	8	(22,152)	(170)
<b>Profit/(loss) before taxation</b>		<b>38,380</b>	<b>(192,533)</b>
Tax on profit/(loss)	9	-	-
<b>Profit/(loss) and total comprehensive income for the financial period</b>	20	<b>38,380</b>	<b>(192,533)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.



# CAVERSHAM HC CONSORTIUM LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Intangible assets	10	1,058,914		1,058,914	
Tangible fixed assets	11	598,560		59,738	
		<u>1,657,474</u>		<u>1,118,652</u>	
<b>Current assets</b>					
Stocks	12	43,728		74,569	
Debtors	13	173,619		166,103	
Cash at bank and in hand		61,881		1,597	
		<u>279,228</u>		<u>242,269</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(302,576)</u>		<u>(306,190)</u>	
<b>Net current liabilities</b>			(23,348)		(63,921)
<b>Total assets less current liabilities</b>		<u>1,634,126</u>		<u>1,054,731</u>	
<b>Creditors: amounts falling due after more than one year</b>	14		(541,015)		-
<b>Provisions for liabilities</b>			(4,331)		(4,331)
<b>Net assets</b>		<u>1,088,780</u>		<u>1,050,400</u>	
<b>Capital and reserves</b>					
Called up share capital	19	2,031,137		2,031,137	
Profit and loss reserves	20	(942,357)		(980,737)	
<b>Total equity</b>		<u>1,088,780</u>		<u>1,050,400</u>	

The financial statements were approved by the board of directors and authorised for issue on 26/04/2021 and are signed on its behalf by:



Mr V Patel  
Director

Company Registration No. 07545254

# CAVERSHAM HC CONSORTIUM LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 APRIL 2020

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 February 2018</b>	2,031,137	(788,204)	1,242,933
<b>Year ended 31 January 2019:</b>			
Loss and total comprehensive income for the year	-	(192,533)	(192,533)
<b>Balance at 31 January 2019</b>	2,031,137	(980,737)	1,050,400
<b>Period ended 30 April 2020:</b>			
Profit and total comprehensive income for the period	-	38,380	38,380
<b>Balance at 30 April 2020</b>	2,031,137	(942,357)	1,088,780

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 APRIL 2020

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### 1 Accounting policies

#### Company information

Caversham HC Consortium Limited is a private company limited by shares incorporated in England and Wales. The registered office is 109-111 Field End Road, Pinner, Middlesex, United Kingdom, HA5 1QG. The company's principal activities and nature of its operations are disclosed in the director's report.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;
- comparative narrative information;
- for financial instruments, investment property and biological assets measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of PHOENIX Pharmahandel GmbH & Co KG. The group accounts of the ultimate parent company are available to the public and can be obtained as set out in note 23.

#### 1.2 Going concern

Following the acquisition by Enimed Limited the company's operations have been restructured. On the basis of the efficiency savings anticipated following the restructuring, the director is confident that the company will have the ability to meet its liabilities as they fall due for the foreseeable future and so continues to adopt the going concern basis of preparation.

#### 1.3 Turnover

Turnover represents the invoiced value of goods sold to third parties, excluding value added tax and net of discounts.

Turnover is recognised at the point of sale.

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 1 Accounting policies

(Continued)

#### 1.4 Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less impairment losses.

The gain on a bargain purchase is recognised in profit or loss in the period of the acquisition.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is subsequently reversed if, and only if, the reasons for the impairment loss have ceased to apply.

#### 1.5 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	straight line over the duration of the lease
Plant and equipment	straight line over 3, 5 or 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.7 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial assets

Financial assets are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

##### **Financial assets at fair value through profit or loss**

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 1 Accounting policies

(Continued)

#### **Financial assets held at amortised cost**

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

#### **Impairment of financial assets**

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

### 1.11 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

#### **Other financial liabilities**

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

---

### 1 Accounting policies

(Continued)

#### 1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### 1.14 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event and it is probable that the company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### 1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.17 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within tangible fixed assets, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other tangible fixed assets. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 1 Accounting policies

(Continued)

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

#### 1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Adoption of new and revised standards and changes in accounting policies

In the current period, the following new and revised Standards and Interpretations have been adopted by the company and have an effect on the current period or a prior period or may have an effect on future periods:

The company has applied IFRS 16 for the first time using the cumulative effect method. Under this method, the comparative information in the statement of profit or loss and other comprehensive income is not restated. The cumulative impact of first time adoption is recognised as an adjustment to the opening balance of retained earnings for the current period.

The company's accounting policies for IFRS 16 are disclosed in note 1. The amount of adjustment for each financial statement line affected by the application of IFRS 16 is illustrated below.

Tangible fixed assets increased by £602,098.

Total liabilities increased by £602,098.



# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount 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.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

#### Critical judgements

##### Intangible fixed assets

Licences are reviewed annually for impairment against their net realisable value. Net realisable value includes estimation of future cash flows which require judgements to be made.

### 4 Turnover

	2020 £	2019 £
<b>Turnover analysed by class of business</b>		
Sale of goods	1,439,464	1,114,474

### 5 Operating profit/(loss)

	2020 £	2019 £
Operating profit/(loss) for the period is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	5,800	5,740
Depreciation of property, plant and equipment	63,277	16,450
Cost of inventories recognised as an expense	1,105,998	898,373
Other operating leases	-	44,463

### 6 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

2020 Number	2019 Number
11	15

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 6 Employees (Continued)

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	142,401	241,194
Social security costs	1,990	9,468
Pension costs	475	1,320
	<u>307,537</u>	<u>251,982</u>

### 7 Director's remuneration

	2020 £	2019 £
Remuneration for qualifying services	<u>3,930</u>	<u>3,144</u>

### 8 Interest payable and similar expenses

	2020 £	2019 £
Interest on financial liabilities measured at amortised cost:		
Interest on other loans	<u>22,152</u>	<u>170</u>

### 9 Taxation

The charge for the period can be reconciled to the profit/(loss) per the profit and loss account as follows:

	2020 £	2019 £
Profit/(loss) before taxation	<u>38,380</u>	<u>(192,533)</u>
Expected tax charge/(credit) based on a corporation tax rate of 19.00% (2019: 19.00%)	7,292	(36,581)
Effect of expenses not deductible in determining taxable profit	(7,505)	-
Utilisation of tax losses not previously recognised	(2,244)	-
Unutilised tax losses carried forward	-	177,109
Depreciation on assets not qualifying for tax allowances	2,457	1,838
Deferred tax adjustments in respect of prior years	-	(146,126)
Tax at marginal rate	-	3,760
Taxation charge for the period	<u>-</u>	<u>-</u>

At the 30 April 2020 the company had tax losses available to be utilised against future profits estimated at £1,135,261(2019: £1,147,071).

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 10 Intangible fixed assets

	Goodwill	Patents & licences	Total
	£	£	£
<b>Cost</b>			
At 31 January 2019	823,983	1,058,914	1,882,897
At 30 April 2020	823,983	1,058,914	1,882,897
<b>Amortisation and impairment</b>			
At 31 January 2019	823,983	-	823,983
At 30 April 2020	823,983	-	823,983
<b>Carrying amount</b>			
At 30 April 2020	-	1,058,914	1,058,914
At 31 January 2019	-	1,058,914	1,058,914

### 11 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Total
	£	£	£
<b>Cost</b>			
At 31 January 2019	-	163,543	163,543
Impact of adoption of IFRS 16	602,099	-	602,099
At 30 April 2020	602,099	163,543	765,642
<b>Accumulated depreciation and impairment</b>			
At 31 January 2019	-	103,805	103,805
Charge for the period	43,213	20,064	63,277
At 30 April 2020	43,213	123,869	167,082
<b>Carrying amount</b>			
At 30 April 2020	558,886	39,674	598,560
At 31 January 2019	-	59,738	59,738

### 12 Stocks

	2020	2019
	£	£
Inventories	43,728	74,569

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 13 Debtors

	2020 £	2019 £
Trade debtors	172,769	142,951
Other debtors	-	18,737
Prepayments and accrued income	850	4,415
	<u>173,619</u>	<u>166,103</u>

### 14 Creditors

	Notes	Due within one year		Due after one year	
		2020 £	2019 £	2020 £	2019 £
Creditors	15	236,376	302,981	-	-
Taxation and social security		38,536	3,209	-	-
Lease liabilities	16	27,664	-	541,015	-
		<u>302,576</u>	<u>306,190</u>	<u>541,015</u>	<u>-</u>

### 15 Creditors

	2020 £	2019 £
Trade creditors	211,452	282,483
Accruals and deferred income	24,924	20,498
	<u>236,376</u>	<u>302,981</u>

### 16 Lease liabilities

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2020 £	2019 £
Current liabilities	27,664	-
Non-current liabilities	541,015	-
	<u>568,679</u>	<u>-</u>

Other leasing information is included in note 21.

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £	Total £
Deferred tax liability at 1 February 2018	4,331	4,331
Deferred tax liability at 1 February 2019 and 30 April 2020	4,331	4,331

### 18 Retirement benefit schemes

#### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £475 (2019 - £1,320).

### 19 Share capital

	2020 £	2019 £
<b>Ordinary share capital</b>		
<b>Authorised</b>		
55,000 Ordinary A of £1 each	55,000	55,000
45,000 Ordinary B of £1 each	45,000	45,000
1,931,137 Ordinary C of £1 each	1,931,137	1,931,137
	<u>2,031,137</u>	<u>2,031,137</u>
<b>Issued and fully paid</b>		
55,000 Ordinary A of £1 each	55,000	55,000
45,000 Ordinary B of £1 each	45,000	45,000
1,931,137 Ordinary C of £1 each	1,931,137	1,931,137
	<u>2,031,137</u>	<u>2,031,137</u>

### 20 Profit and loss reserves

	2020 £	2019 £
At the beginning of the period	(980,737)	(788,204)
Profit/(loss) for the period	38,380	(192,533)
At the end of the period	<u>(942,357)</u>	<u>(980,737)</u>

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 21 Other leasing information

#### Lessee

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2020	2019
	£	£
Minimum lease payments under operating leases	-	44,463

Set out below are the future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities:

	2020	2019
	£	£
<b>Lease commitments</b>		
Within one year	-	38,223
Between two and five years	-	152,892
In over five years	-	92,364
	-	283,479

Information relating to lease liabilities is included in note 16.

### 22 Related party transactions

#### Other transactions with related parties

During the year the company entered into the following transactions with related parties at an arms length basis:

	Purchase of goods	
	2020	2019
	£	£
L Rowland & Company (Retail) Limited	1,305,995	206,603
PHOENIX group companies	1,219,500	890,055
	2,525,495	1,096,658

## CAVERSHAM HC CONSORTIUM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

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#### 22 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2020 £	2019 £
<b>Amounts due to related parties</b>		
L Rowland & Company (Retail) Limited	54,571	157,884
PHOENIX group companies	143,110	128,479
	<u>197,681</u>	<u>286,363</u>

#### 23 Ultimate parent company and controlling party

The immediate parent company until 30 April 2020 was L Rowland & Company (Retail) Limited. The ultimate parent company and controlling party until 30 April 2020 was PHOENIX Pharmahandel GmbH & Co KG, a company incorporated in Germany. Its principal place of business is Pfingstweidstrasse 10-12, 68199 Mannheim, Germany.

As from 30 April 2020 the ultimate parent company and ultimate controlling party was Enimed Limited. Enimed's registered office is at 109-111 Field End Road, Eastcote, Middlesex HA5 1QG.

# CAVERSHAM HC CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2020

### 24 Effect of adoption of IFRS 16

The company has adopted IFRS 16 Leases from 1 February 2019 but has not restated comparatives for the 2019 reporting year, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 February 2019.

On adoption of IFRS 16, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 February 2019.

#### Measurement of lease liabilities

	£
Operating lease commitments disclosed as at 31 January 2019	283,479
Discounted using the lessee's incremental borrowing rate at the date of initial application	220,441
Less short and low value leases	-
Add adjustments as a result of different treatment of extension and termination options	381,658
	<hr/>
Lease liability recognised as at 1 February 2019	602,099
	<hr/>

#### Measurement of right of use assets

The associated right of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 January 2019.

#### Adjustments recognised in the statement of financial position on 1 February 2019

The change in accounting policy affected the following items in the statement of financial position on 1 February 2019:

Right-of-use assets – increase by £602,099  
Lease liabilities – increase by £602,099

The net effect on retained earnings at 1 February 2019 was nil.