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Registered Number 06349417

Direct Healthcare Limited
Annual report and financial statements
for the year ended 31 March 2023

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Direct Healthcare Limited

Annual report and financial statements for the year ended 31 March 2023

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Direct Healthcare Limited

Directors and advisers

Directors

G Dannatt
K Heath
S Fawcett

Independent auditors

BDO LLP
Chartered Accountants and Statutory Auditors
Central Square
29 Wellington Street
Leeds
LS1 4DL

Solicitors

Squire Patton Boggs (UK) LLP
6 Wellington Place
Leeds
LS1 4AP

Bankers

Barclays Bank PLC
Northern Corp 1
1 Churchill Place
London
E14 5HP

Registered Office

Lumina
Park Approach
Thorpe Park
Leeds
England
LS15 8GB

Registered Number

06349417

Direct Healthcare Limited

Strategic report for the year ended 31 March 2023

The directors present their strategic report for Direct Healthcare Limited (“the company”) together with the audited financial statements for the year ended 31 March 2023.

Business Review

For the year ended 31 March 2023 the company generated other income of £nil (2022: £7k). Over the same year the company made £nil before taxation (2022: £nil).

On 31 March 2020 the company transferred the trade and assets of the business to Pharmacy2U Limited, following this intra-group transfer the company ceased to trade. Until 31 March 2022 the company maintained an existing lease agreement, the full cost of which was recharged in the year ended 31 March 2022 to the group parent, Pharmacy2U Limited. There were no transactions in the current year as the lease has ended.

Future Outlook

The company does not trade and at present there are no plans to trade in the future.

Going concern

The Directors have prepared a consolidated cash flow forecast for the ultimate parent company to December 2024, which includes the expected trading results and cash flows for the enlarged group. After reviewing the financial projections of the group, taking into account all reasonably foreseeable circumstances, and considering financial support available from the ultimate parent, the directors have a reasonable expectation that the company will continue to have adequate resources to continue in operational existence for the 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and audited financial statements.

Approved by the Board and signed on its behalf on 20 December 2023 by:



S Fawcett
Director

Direct Healthcare Limited

Directors' report for the year ended 31 March 2023

The directors present their annual report, together with the audited financial statements, for the year ended 31 March 2023.

Directors

The directors of the company during the year were:

G Dannatt
K Heath (appointed 14 December 2022)
S Fawcett (appointed 1 February 2023)
M Livingstone (resigned 14 December 2022)

Principal activities

On 31 March 2020 the company transferred the trade and assets of the business to Pharmacy2U Limited, following this intra-group transfer the company ceased to trade.

Results and dividends

A review of business and future developments is set out within the strategic report.

The directors of the company have not declared a dividend in the current year (2022 - £nil).

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Direct Healthcare Limited

Directors' report for the year ended 31 March 2023 (continued)

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have 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.

Independent auditors

The auditors, BDO LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the board



S Fawcett
Director
Date 20 December 2023

Direct Healthcare Limited

Independent auditor's report to the members of Direct Healthcare Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its result for the year 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.

We have audited the financial statements of Direct Healthcare Limited ("the Company") for the year ended 31 March 2023 which comprise Statement of comprehensive income, Balance sheet, 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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.

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

Direct Healthcare Limited

Independent auditor's report to the members of Direct Healthcare Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, 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.

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.

Other Companies Act 2006 reporting

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
- 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 material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, 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.

Direct Healthcare Limited

Independent auditor's report to the members of Direct Healthcare Limited (continued)

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.

Extent to which the audit was 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:

Non-compliance with laws and regulations

The Company is subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be including, but not limited to FRS 102, Companies Act 2006, employment law, UK taxation legislation and health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Enquiry of those charged with governance.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the area most susceptible to fraud to be:

- Manual journals posted to the financial statements.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Direct Healthcare Limited

Independent auditor's report to the members of Direct Healthcare Limited (continued)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 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.

DocuSigned by:

Paul Davies

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Paul Davies (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Leeds, UK

Date 20 December 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Direct Healthcare Limited

Statement of comprehensive income for the year ended 31 March 2023

	Note	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Revenue	1	-	-
Cost of sales		-	-
Gross profit		-	-
Other income		-	7
Administrative expenses - continuing		-	(7)
Operating result	2	-	-
Finance costs		-	-
Result before taxation		-	-
Tax on result	4	-	-
Result and total comprehensive result for the financial year		-	-

Direct Healthcare Limited

Balance sheet as at 31 March 2023

	Note	31 March 2023 £'000	31 March 2022 £'000
Assets			
Fixed assets			
Property, plant and equipment		-	-
		-	-
Current assets			
Inventories		-	-
Trade and other receivables		-	-
Cash and cash equivalents		-	-
		-	-
Total assets		-	-
Equity and liabilities			
Current liabilities			
Trade and other payables		-	-
Total current liabilities		-	-
Total liabilities		-	-
Equity			
Called up share capital	5	-	-
Share premium account		-	-
Capital contribution reserve		15,749	15,749
Accumulated losses		(15,749)	(15,749)
Total equity		-	-
Total equity and liabilities		-	-

The financial statements on pages 9 to 14 were approved by the board of directors and authorised for issue on 20 December 2023 and were signed on its behalf by:



S Fawcett
Director
 Direct Healthcare Limited, registered number: 06349417

Direct Healthcare Limited

Statement of changes in equity for the year ended 31 March 2023

	Share Capital £'000	Capital contribution reserve £'000	Accumulated losses £'000	Total Equity £'000
At 1 April 2022	-	15,749	(15,749)	-
Profit for the financial year	-	-	-	-
At 31 March 2023	-	15,749	(15,749)	-

Statement of changes in equity for the year ended 31 March 2022

	Share Capital £'000	Capital contribution reserve £'000	Accumulated losses £'000	Total Equity £'000
At 1 April 2021	-	15,749	(15,749)	-
Profit for the financial year	-	-	-	-
At 31 March 2022	-	15,749	(15,749)	-

Direct Healthcare Limited

Statement of accounting policies for the year ended 31 March 2023

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

Basis of preparation

Direct Healthcare Limited is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Directors and advisors page and the nature of the company’s operations and principal activities are given in the Directors’ report.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, and in accordance with the Companies Act 2006.

The financial statements are presented in Sterling as that is the primary economic environment in which the company operates.

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

- the requirements of Section 4 Statement of Financial Position, paragraph 4.12 (a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation, paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments, paragraph 11.39 to 11.48A; and
- the requirements of Section 33 Related Party Disclosures, paragraph 33.7.

This information is included in the consolidated financial statements of P2U Holdings Limited for the year ended 31 March 2023, and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

Going concern

The Directors have prepared a consolidated cash flow forecast for the ultimate parent company to December 2024, which includes the expected trading results and cash flows for the enlarged group. After reviewing the financial projections of the group, taking into account all reasonably foreseeable circumstances, and considering financial support available from the ultimate parent, the directors have a reasonable expectation that the company will continue to have adequate resources to continue in operational existence for the 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and audited financial statements.

Direct Healthcare Limited

Statement of accounting policies for the year ended 31 March 2023

Going Concern (continued)

The principal accounting policies, which have been consistently applied, are as follows:

Other income

Other income in the statement of comprehensive income relates to amounts recharged to the parent company, Pharmacy2U Limited.

Operating leases

Operating lease rentals are charged to the statement of comprehensive income in equal instalments over the life of the lease; except that provision is made for the expected net cost on vacant leasehold properties.

The group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (1 January 2014) to continue to be charged over the shorter period to the first market rent review rather than the term of lease.

For leases entered into on or after 1 January 2014, reverse premiums and similar incentives received to enter into operating lease agreements are released to profit or loss over the term of the lease.

Current and deferred taxation

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries operate and generate taxable income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other amounts receivable and payable and loans to and from related parties.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income. The impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Provisions

A provision is recognised when the company has a legal or constructive obligation as a result of a past event, either the amount or timing are uncertain, and a reliable estimate can be made of the amount of the obligation. These are measured at management's best estimate of the amount required to settle the obligation at the reporting date.

Critical accounting estimates and judgements

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The Directors do not consider there to be any other significant judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, in the preparation of the financial statements.

Direct Healthcare Limited

Notes to the financial statements for the year ended 31 March 2023

1 Revenue

Other income of £nil has been recognised in the year ended 31 March 2023, other income in the year ended 31 March 2022 relates to amounts recharged to the parent company, Pharmacy2U Limited.

2 Operating profit

	2023 £'000	2022 £'000
Operating profit is stated after charging/(crediting):		
Property costs	-	7
Management recharge	-	(7)

Audit fees for 2023 and 2022 have been borne by the group parent, Pharmacy2U Limited. Property costs have been recharged to the group parent in 2022 only.

3 Employee information

The company had no employees (2022: no employees) during the year. Directors were remunerated by the company's ultimate parent undertaking, P2U Holdings Limited.

4 Taxation

There was no current or deferred tax charge in either year.

The company has no unutilised trading losses (2022: £nil).

5 Called up share capital

	2023 £	2022 £
Allotted, called and fully paid		
1 (2022: 1) ordinary shares of £1 (2022: £1) each	1	1

6 Ultimate controlling party

The company's immediate parent company is ChemD Holdings Limited, a company registered in England and Wales. P2U Holdings Limited, a company registered in England and Wales is the ultimate parent undertaking. There is no ultimate controlling party of the group.

The smallest and largest group for which consolidated financial statements are prepared for the year ended 31 March 2023 is P2U Holdings Limited. These financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.