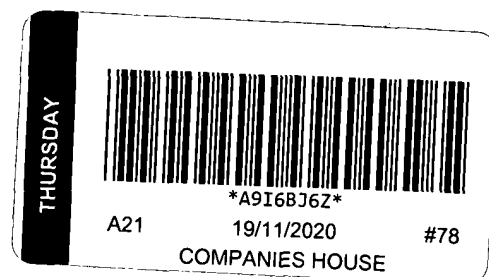


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Company Registration No. 06408803 (England and Wales)

EASTSTONE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
PAGES FOR FILING WITH REGISTRAR



EASTSTONE LIMITED

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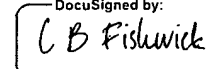
EASTSTONE LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020**

	Notes	2020 £	£	2019 £	£
Non-current assets					
Property, plant and equipment	5		45,340		61,551
Current assets					
Inventories		170,517		218,351	
Trade and other receivables	6	1,401,820		877,926	
Cash and cash equivalents		513,230		402,255	
		2,085,567		1,498,532	
Current liabilities	7	(1,284,472)		(569,131)	
Net current assets			801,095		929,401
Total assets less current liabilities			846,435		990,952
Equity					
Called up share capital	8		100		100
Retained earnings			846,335		990,852
Total equity			846,435		990,952

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 18/11/2020 | 11:44 AM G
and are signed on its behalf by:

DocuSigned by:

 8E7C90808CB0446...
 C B Fishwick
 Director

Company Registration No. 06408803

EASTSTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Eaststone Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 1 Barrs Fold Road, Wingates Industrial Estate, Westhoughton, Bolton, BL5 3XP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

1.2 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Property, plant and equipment

Property, plant and equipment 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	33% straight line
Plant and machinery	20%/25% straight line

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 credited or charged to profit or loss.

1.4 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

EASTSTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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.

1.5 Inventories

Inventories 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 inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EASTSTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

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

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

EASTSTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.10 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 stock or non-current 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.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	2,750	3,000

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 39 (2019 - 36).

4 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	269,856	200,889
Adjustments in respect of prior periods	(36,026)	-
Total current tax	233,830	200,889
Deferred tax		
Origination and reversal of timing differences	-	(963)
Total tax charge	233,830	199,926

EASTSTONE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2020**5 Property, plant and equipment**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2019	376,357	523,740	900,097
Additions	-	18,612	18,612
At 31 March 2020	376,357	542,352	918,709
Depreciation and impairment			
At 1 April 2019	375,419	463,127	838,546
Depreciation charged in the year	938	33,885	34,823
At 31 March 2020	376,357	497,012	873,369
Carrying amount			
At 31 March 2020	-	45,340	45,340
At 31 March 2019	938	60,613	61,551

6 Trade and other receivables

	2020	2019
	£	£
Amounts falling due within one year:		
Trade receivables	1,191,369	809,366
Amounts due from group undertakings	145,196	-
Other receivables	304	-
Prepayments and accrued income	64,951	68,560
	1,401,820	877,926

7 Current liabilities

	2020	2019
	£	£
Trade payables	341,601	266,110
Amounts due to group undertakings	600,380	112,776
Amounts due to related undertakings	1,624	698
Corporation tax	81,585	28,420
Other taxation and social security	137,188	129,171
Other payables	2,432	1,010
Accruals and deferred income	119,662	30,946
	1,284,472	569,131

EASTSTONE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2020**8 Called up share capital**

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
25 Ordinary A shares of £1 each	25	25
25 Ordinary B shares of £1 each	25	25
25 Ordinary C shares of £1 each	25	25
25 Ordinary D shares of £1 each	25	25
	<u>100</u>	<u>100</u>

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was qualified and the auditor reported as follows:

Qualified opinion

We have audited the financial statements of Eaststone Limited (the 'company') for the year ended 31 March 2020 which comprise , the statement of financial position 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit 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.

Basis for qualified opinion

Due to the Coronavirus pandemic declared by the World Health Organisation on 11 March 2020 and the lockdown imposed by the UK Government on 23 March 2020 we were unable to observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 March 2020, which are included in the balance sheet at £170,517, by using other audit procedures. Consequently we were unable to determine whether any adjustment to this amount could be necessary. There had been an internal stocktake.

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 qualified opinion.

The senior statutory auditor was John Marshall.

EASTSTONE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****9 Audit report information****(Continued)**

The auditor was Cowgill Holloway LLP.

10 Financial commitments, guarantees and contingent liabilities

The company is party to cross guarantees given to the bankers in respect of credit facilities granted to Walkboost Limited, Maxearn Limited, Quadrant Pharmaceuticals Limited, Medihealth Limited, Medihealth International Limited and Falconline Limited and at the balance sheet date amounted to £610,861 (2019: £1,069,385).

11 Operating lease commitments**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2020	2019
£	£
33,203	57,463
<u><u>33,203</u></u>	<u><u>57,463</u></u>

EASTSTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

12 Related party transactions

The company has taken advantage of the exemption available in FRS 102 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

The following companies have shareholders in common with Eaststone Limited therefore are connected:

Day Lewis Chemists Limited
Day Lewis PLC
ABC Drug Stores Limited
Leach & Burton Limited
S Kaye & Son Limited
AMG Healthcare Limited
Care@Oxford Limited
Hope Farm Healthcare LLP
Finchampstead Healthcare LLP
Cape Holdings Limited
J.S Langhorne Limited
Crewkerne Healthcare LLP
Medihealth (Northern) Limited

Included within creditors are amounts of £1,624 (2019: £698) due to Medihealth (Northern) Limited. This company is connected by virtue of common shareholders.

13 Control

The company is a wholly owned subsidiary of Walkboost Limited, a company registered in England and Wales. Walkboost Limited is under the control of Mrs N K Patel and family and Makan Investments Limited who each have a 50% shareholding.

Consolidated financial statements are prepared by Walkboost Limited, Unit 29 Devonshire Road, Worsley, Manchester, England, M28 3PT.