

REGISTERED NUMBER: 07534072 (England and Wales)

Unaudited Financial Statements
for the Year Ended 31 March 2019
for
Universal Pharmacy Ltd

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for the Year Ended 31 March 2019

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Universal Pharmacy Ltd
Company Information
for the Year Ended 31 March 2019

DIRECTORS:

N A Sarwar
Miss N Sarwar
Mrs N Sarwar

REGISTERED OFFICE:

Units 2 and 3, Ground Floor
Beacon House
Turbine Way
Swaffham
Norfolk
PE37 7XJ

REGISTERED NUMBER:

07534072 (England and Wales)

ACCOUNTANTS:

Gillespie & Anderson
Chartered Accountants
147 Bath Street
Glasgow
G2 4SN

Universal Pharmacy Ltd (Registered number: 07534072)

Balance Sheet
31 March 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Intangible assets	4		3,875		-
Tangible assets	5		<u>274,376</u>		<u>61,400</u>
			278,251		61,400
CURRENT ASSETS					
Stocks		154,991		145,108	
Debtors	6	837,986		635,351	
Cash at bank and in hand		<u>2,461</u>		<u>39,080</u>	
		995,438		819,539	
CREDITORS					
Amounts falling due within one year	7	<u>1,084,582</u>		<u>648,943</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(89,144)</u>		<u>170,596</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			189,107		231,996
CREDITORS					
Amounts falling due after more than one year	8		(19,251)		(97,306)
ACCRUALS AND DEFERRED INCOME	11		-		(704)
NET ASSETS			<u>169,856</u>		<u>133,986</u>
CAPITAL AND RESERVES					
Called up share capital			274,191		274,191
Retained earnings			<u>(104,335)</u>		<u>(140,205)</u>
			169,856		133,986

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The notes form part of these financial statements

Balance Sheet - continued
31 March 2019

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

In accordance with Section 444 of the Companies Act 2006, the Profit & Loss Account has not been delivered.

The financial statements were approved by the Board of Directors on 30 December 2019 and were signed on its behalf by:

N A Sarwar - Director

Notes to the Financial Statements
for the Year Ended 31 March 2019

1. STATUTORY INFORMATION

Universal Pharmacy Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The company has cash resources and has no requirement for external funding. The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accountancy appropriate in preparing the annual financial statements.

Significant judgements and estimates

The Directors have made judgements, estimates and assumptions that affect the amounts reported within the financial statements during the year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The Directors' estimates, assumptions and judgements that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the financial statements are addressed and detail is provided in the associated notes.

Turnover

Turnover represents net sales of goods and services, excluding value added tax and is recognised when the company becomes entitled to the income.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of two years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery etc - 33% on cost and 15% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has no complex financial instruments but does hold basic financial instruments of; cash at bank, debtors and creditors.

Cash and cash equivalents comprise cash at bank and on hand, foreign currency on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. A bank overdraft would be shown within current liabilities.

Trade and other debtors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less losses for bad debts except where the effect of discounting would be immaterial. In such cases, trade and other debtors are stated at cost less losses for bad debts.

Trade and other creditors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate unless the effect of discounting would be immaterial. In such cases, trade and other creditors are stated at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit & Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

2. ACCOUNTING POLICIES - continued

Employment benefits

The total cost of employee benefits to which employees have become entitled as a result of service rendered to the entity during the reporting period are recognised and charged to the profit and loss account in the period to which they relate.

Provisions for liabilities

A provision for liabilities is initially recognised when there is an obligation at the balance sheet date as the result of a past event, it is probable that there will be the transfer of funds in settlement and the amount of the obligation can be estimated readily. The provision is subsequently measured by placing a charge against the provision only for expenditure for which the provision was originally recognised.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 21 (2018 - 22) .

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
Additions	7,750
At 31 March 2019	<u>7,750</u>
AMORTISATION	
Charge for year	3,875
At 31 March 2019	<u>3,875</u>
NET BOOK VALUE	
At 31 March 2019	<u><u>3,875</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 April 2018	142,208
Additions	<u>234,807</u>
At 31 March 2019	<u>377,015</u>
DEPRECIATION	
At 1 April 2018	80,808
Charge for year	<u>21,831</u>
At 31 March 2019	<u>102,639</u>
NET BOOK VALUE	
At 31 March 2019	<u>274,376</u>
At 31 March 2018	<u>61,400</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 April 2018 and 31 March 2019	<u>20,686</u>
DEPRECIATION	
At 1 April 2018	13,791
Charge for year	<u>6,894</u>
At 31 March 2019	<u>20,685</u>
NET BOOK VALUE	
At 31 March 2019	<u>1</u>
At 31 March 2018	<u>6,895</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	534,151	343,705
Amounts owed by group undertakings	234,729	234,729
Other debtors	69,106	56,917
	<u>837,986</u>	<u>635,351</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	75,803	24,998
Hire purchase contracts (see note 9)	1,724	6,895
Trade creditors	477,353	250,418
Taxation and social security	24,389	4,995
Other creditors	505,313	361,637
	<u>1,084,582</u>	<u>648,943</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Bank loans	19,251	95,582
Hire purchase contracts (see note 9)	-	1,724
	<u>19,251</u>	<u>97,306</u>

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 2019	2018
	£	£
Net obligations repayable:		
Within one year	1,724	6,895
Between one and five years	-	1,724
	<u>1,724</u>	<u>8,619</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

9. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	17,755	19,603
Between one and five years	<u>3,462</u>	<u>21,217</u>
	<u>21,217</u>	<u>40,820</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank loans	95,054	120,580
Factors loan	109,769	223,774
Other loan	207,744	-
Hire purchase contracts	<u>1,724</u>	<u>8,619</u>
	<u>414,291</u>	<u>352,973</u>

The bank loan and factors loan with Shawbrook Bank Limited are secured by the following:

- SPF composite guarantee and debenture from the company and Bond and Floating Charge and guarantee from UPL Holdings Ltd.
- First Legal Charge to be taken over properties owned by Naseem Sarwar; Main Street, Castletown, KW14 8TU and 2/4 Dempster Street, Wick, KW1 5BQ.
- Performance warranty from Naseem Sarwar.
- Joint and Several Personal Guarantee from Naseem Sarwar and Naseem Sarwar limited to £140,000.

The hire purchase liability is secured over the assets to which they relate.

The bank loan with the Royal Bank of Scotland is secured by a personal guarantee for £30,000 by Naseem Sarwar.

The loan from Edinburgh Alternative Finance Ltd (trading as Lendingcrowd) is secured by a fixed charge over the assets of the company.

11. ACCRUALS AND DEFERRED INCOME

	2019	2018
	£	£
Accruals and deferred income	<u>-</u>	<u>704</u>

The company entered into a sale and finance leaseback agreement during the previous year. In compliance with paragraph 20.33 of FRS 102, the excess of the sales proceeds received over the carrying amount of the asset in question is accordingly deferred and amortised over the lease term, in line with the depreciation charges on the asset leased back. This was fully amortised in the year under review.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

12. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of UPL Holdings Ltd.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.