

Unaudited Financial Statements
for the Year Ended 31 March 2021
for
Universal Pharmacy Ltd

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for the Year Ended 31 March 2021

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Universal Pharmacy Ltd
Company Information
for the Year Ended 31 March 2021

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 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>903,698</u>		<u>989,301</u>
			903,698		989,301
CURRENT ASSETS					
Stocks		238,104		206,104	
Debtors	6	841,361		726,600	
Cash at bank and in hand		<u>6,011</u>		<u>3,882</u>	
		1,085,476		936,586	
CREDITORS					
Amounts falling due within one year	7	<u>973,167</u>		<u>1,066,857</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>112,309</u>		<u>(130,271)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,016,007		859,030
CREDITORS					
Amounts falling due after more than one year	8		(616,945)		(579,241)
PROVISIONS FOR LIABILITIES			<u>(126,835)</u>		<u>(16,726)</u>
NET ASSETS			<u>272,227</u>		<u>263,063</u>
CAPITAL AND RESERVES					
Called up share capital			274,191		274,191
Retained earnings			<u>(1,964)</u>		<u>(11,128)</u>
			<u>272,227</u>		<u>263,063</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 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
- (b) 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.

Universal Pharmacy Ltd (Registered number: 07534072)

Balance Sheet - continued
31 March 2021

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 and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 23 December 2021 and were signed on its behalf by:

N A Sarwar - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2021

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 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, 15% on reducing balance and 2% on cost

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 2021

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 and 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.

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.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. **ACCOUNTING POLICIES - continued**

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 26 (2020 - 22) .

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 April 2020 and 31 March 2021	<u>7,750</u>
AMORTISATION	
At 1 April 2020 and 31 March 2021	<u>7,750</u>
NET BOOK VALUE	
At 31 March 2021	<u>-</u>
At 31 March 2020	<u>-</u>

5. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 April 2020	1,134,566
Additions	232,205
Disposals	(189,800)
At 31 March 2021	<u>1,176,971</u>
DEPRECIATION	
At 1 April 2020	145,265
Charge for year	156,478
Eliminated on disposal	(28,470)
At 31 March 2021	<u>273,273</u>
NET BOOK VALUE	
At 31 March 2021	<u>903,698</u>
At 31 March 2020	<u>989,301</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

5. TANGIBLE FIXED ASSETS - continued

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

		Plant and machinery etc £
COST		
At 1 April 2020		20,686
Transfer to ownership		<u>(20,686)</u>
At 31 March 2021		<u>-</u>
DEPRECIATION		
At 1 April 2020		20,685
Transfer to ownership		<u>(20,685)</u>
At 31 March 2021		<u>-</u>
NET BOOK VALUE		
At 31 March 2021		<u>-</u>
At 31 March 2020		<u>1</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	592,085	452,319
Amounts owed by group undertakings	234,729	234,729
Other debtors	<u>14,547</u>	<u>39,552</u>
	<u>841,361</u>	<u>726,600</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	88,836	84,257
Trade creditors	520,320	462,534
Taxation and social security	70,820	24,119
Other creditors	<u>293,191</u>	<u>495,947</u>
	<u>973,167</u>	<u>1,066,857</u>

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

	2021	2020
	£	£
Bank loans	485,635	579,241
Other creditors	<u>131,310</u>	<u>-</u>
	<u>616,945</u>	<u>579,241</u>

Universal Pharmacy Ltd (Registered number: 07534072)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

8.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued	2021	2020
		£	£
	Amounts falling due in more than five years:		
	Repayable by instalments		
	Other loans more 5yrs instal	<u>32,280</u>	<u>-</u>
9.	LEASING AGREEMENTS		
	Minimum lease payments under non-cancellable operating leases fall due as follows:		
		2021	2020
		£	£
	Within one year	23,230	21,750
	Between one and five years	87,000	87,000
	In more than five years	<u>65,250</u>	<u>87,000</u>
		<u>175,480</u>	<u>195,750</u>
10.	SECURED DEBTS		
	The following secured debts are included within creditors:		
		2021	2020
		£	£
	Bank loans	574,471	663,498
	Factors loan	268,360	249,361
	Other loan	<u>138,189</u>	<u>-</u>
		<u>981,020</u>	<u>912,859</u>

The bank loan with Shawbrook Bank Limited is 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.
- Joint and Several Personal Guarantee from Nadeem Sarwar and Naseem Sarwar limited to £150,000.
- Charge over the lease of Unit 25 Turbine Way, Swaffham.

The hire purchase liability was secured over the assets to which it related and was fully repaid in the year to 31 March 2020.

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

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

The Woodford RxBridge factoring facility is secured against the company's debtors with the permission of Shawbrook Bank Ltd.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the statement of financial activities in the period to which they relate. Contributions accrued at 31 March 2021 were £1,846 (2020 - £1,590).

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.