

Shevington JV Ltd

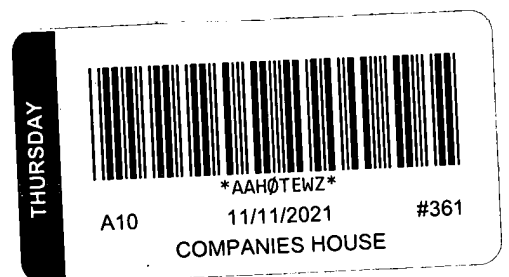
Directors' Report and Unaudited

Financial Statements

Year Ended

31 December 2020

Company Number 07935420



Shevington JV Ltd

Company Information

Directors	Mr Sajid Razaq Shevington Pharma Ltd Dispensing Healthcare Ltd (appointed 29 December 2020)
Registered number	07935420
Registered office	1 Houghton Lane Shevington Wigan Lancashire WN6 8ET
Accountants	BDO LLP 3 Hardman Street Spinningfields Manchester M3 3AT

Shevington JV Ltd

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Shevington JV Ltd

Directors' Report For the Year Ended 31 December 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Principal activity

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

Directors' responsibilities statement

The directors are responsible for preparing 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements 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;
- 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 to 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.

Directors

The directors who served during the year were:

Mr Sajid Razaq
Shevington Pharma Ltd
Dispensing Healthcare Ltd (appointed 29 December 2020)

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

20/10/21

and signed on its behalf.



Mr Sajid Razaq
Director

Shevington JV Ltd

Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Financial Statements of Shevington JV Ltd for the Year Ended 31 December 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Shevington JV Ltd for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/a-z>

It is your duty to ensure that Shevington JV Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Shevington JV Ltd. You consider that Shevington JV Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Shevington JV Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Use of our report

This report is made solely to the directors of Shevington JV Ltd in accordance with the terms of our engagement letter dated 19 August 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Shevington JV Ltd and state those matters that we have agreed to state to the director of Shevington JV Ltd in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Shevington JV Ltd and its director for our work or for this report.

BDO LLP

BDO LLP

3 Hardman Street
Spinningfields
M3 3AT

Date: *20/10/21*

Shevington JV Ltd

Statement of Comprehensive Income For the Year Ended 31 December 2020

	2020 £	2019 £
Turnover	1,741,425	1,661,904
Cost of sales	(1,486,966)	(1,400,675)
Gross profit	254,459	261,229
Administrative expenses	(83,817)	(90,712)
Other operating income	27,923	-
Operating profit	198,565	170,517
Interest payable and expenses	(4,516)	(2,783)
Profit before tax	194,049	167,734
Tax on profit	(36,065)	(32,709)
Profit for the financial year	157,984	135,025
Other comprehensive income for the year		

The notes on pages 7 to 16 form part of these financial statements.

There was no other comprehensive income for 2020 (2019: £Nil).

All activities are derived from continuing operations.

Shevington JV Ltd
Registered number:07935420

Statement of Financial Position
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	217,500	-
Tangible assets	6	2,986	2,114
		<u>220,486</u>	<u>2,114</u>
Current assets			
Stocks		70,255	48,776
Debtors: amounts falling due within one year	7	545,592	293,515
Cash at bank and in hand		142,196	177,398
		<u>758,043</u>	<u>519,689</u>
Creditors: amounts falling due within one year	8	(499,307)	(277,160)
Net current assets		<u>258,736</u>	<u>242,529</u>
Total assets less current liabilities		<u>479,222</u>	<u>244,643</u>
Creditors: amounts falling due after more than one year	9	(76,954)	-
Provisions for liabilities			
Deferred tax		-	(359)
		<u>-</u>	<u>(359)</u>
Net assets		<u><u>402,268</u></u>	<u><u>244,284</u></u>
Capital and reserves			
Called up share capital		10	10
Profit and loss account		402,258	244,274
		<u><u>402,268</u></u>	<u><u>244,284</u></u>

Shevington JV Ltd
Registered number:07935420

Statement of Financial Position (continued)
As at 31 December 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

 20/10/21

Mr Sajid Razaq
Director

The notes on pages 7 to 16 form part of these financial statements.

Shevington JV Ltd

Statement of Changes in Equity For the Year Ended 31 December 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	10	244,274	244,284
Comprehensive income for the year			
Profit for the year	-	157,984	157,984
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	157,984	157,984
Total transactions with owners	-	-	-
At 31 December 2020	10	402,258	402,268

Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	10	199,249	199,259
Comprehensive income for the year			
Profit for the year	-	135,025	135,025
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	135,025	135,025
Dividends: Equity capital	-	(90,000)	(90,000)
Total transactions with owners	-	(90,000)	(90,000)
At 31 December 2019	10	244,274	244,284

The notes on pages 7 to 16 form part of these financial statements.

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

1. General information

Shevington JV Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered company is given on the contents page and the Company's principal activities are set out in the Directors Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

All figures in the financial statements are in GBP and rounded to the nearest pound.

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 (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors of the Company have assessed the impact of COVID-19. They have reviewed and are continuing to review their plans and forecasts. The company has net assets and believes that the going concern basis is appropriate.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.3 Revenue (continued)

- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 25% straight line method
Fixtures & fittings	- 20% straight line method

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Licences	- 5 years
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2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instruments contractual obligations, rather than legal form.

The Company's cash at bank and in hand and trade and other debtors and its trade and other creditors are measured initially at the transaction price, including transaction cost, and subsequently at amortised cost using effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.13 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

Apart from the Government Business Intervention Loan and the Job Retention Scheme, the Company has not directly benefited from any other forms of government assistance.

Payments received from the Government were for furloughed employees and for interest payable under the coronavirus Job Retention Scheme and the Coronavirus Business Intervention Loan respectively. These are all included within other operating income. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

2.15 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgments:

Determined that stock includes goods in transit as the Company becomes liable for the goods when the orders are placed, not when the goods are shipped.

Determine whether leases entered into by the Company either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are indicators of impairment of the Company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

4. Employees

The average monthly number of employees, including directors, during the year was 12 (2019 -13).

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

5. Intangible assets

	Licences £
Cost	
Additions	225,000
At 31 December 2020	<u>225,000</u>
Amortisation	
Charge for the year on owned assets	7,500
At 31 December 2020	<u>7,500</u>
Net book value	
At 31 December 2020	<u>217,500</u>
At 31 December 2019	<u>-</u>

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

6. Tangible fixed assets

	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 January 2020	-	9,761	9,761
Additions	3,664	-	3,664
At 31 December 2020	3,664	9,761	13,425
Depreciation			
At 1 January 2020	-	7,647	7,647
Charge for the year on owned assets	840	1,952	2,792
At 31 December 2020	840	9,599	10,439
Net book value			
At 31 December 2020	2,824	162	2,986
At 31 December 2019	-	2,114	2,114

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

7. Debtors

	2020 £	2019 £
Trade debtors	500,336	256,123
Other debtors	43,354	37,231
Prepayments and accrued income	473	161
Deferred taxation	1,429	-
	<u>545,592</u>	<u>293,515</u>

8. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	5,000	-
Other loans	31,954	-
Trade creditors	270,455	241,700
Amounts owed to group undertakings	150,720	-
Corporation tax	37,853	31,460
Accruals and deferred income	3,325	4,000
	<u>499,307</u>	<u>277,160</u>

9. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	45,000	-
Other loans	31,954	-
	<u>76,954</u>	<u>-</u>

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

10. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	5,000	-
Other loans	31,954	-
	<u>36,954</u>	<u>-</u>
Amounts falling due 1-2 years		
Other loans	31,954	-
	<u>31,954</u>	<u>-</u>
Amounts falling due 2-5 years		
Bank loans	45,000	-
	<u>45,000</u>	<u>-</u>
	<u>113,908</u>	<u>-</u>

11. Commitments under operating leases

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	27,864	27,864
Later than 1 year and not later than 5 years	111,456	111,456
Later than 5 years	334,368	362,232
	<u>473,688</u>	<u>501,552</u>

Shevington JV Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

12. Related party transactions

During the year rent of £27,864 (2019: £27,864), service charges of £5,064 (2019: £5,064) and management fees of £7,200 (2019: £7,200) were paid to Shevington Pharma Limited, a director of the company.

During the year dividends of £Nil (2019: £54,000) were paid to Shevington Pharma LTD.

Included in trade creditors is a balance of £Nil (2019: £6,720) relating to Shevington Pharma LTD.

Included within amounts owed to group undertakings is a balance of £90,720 (2019: £Nil) relating to Shevington Pharma LTD.

During the year expenses have been paid on the company's behalf by Dispensing Healthcare Limited, a director of the company, and these expenses have been re-charged back.

During the year management fees of £15,600 (2019: £15,600) were paid to Dispensing Healthcare Limited.

During the year dividends of £Nil (2019: £36,000) were paid to Dispensing Healthcare Limited.

Included in trade creditors is a balance of £Nil (2019: £4,000) relating to Dispensing Healthcare Limited.

Included within amounts owed to group undertakings is a balance of £60,000 (2019: £Nil) relating to Dispensing Healthcare Limited.

During the year net sales of £5,269 (2019: £13,814) were made to the Houghton Lane Surgery, a partnership whose sole partners are directors of Shevington Pharma Limited, a director of the company.

13. Controlling party

The Company is deemed to be controlled by Shevington Pharma Limited based on share ownership.