

Sheffield Health Limited

Unaudited Filleted Financial Statements
for the Year Ended 31 March 2023

Brown, Scott & Main
Chartered Accountants
91 West Savile Terrace
Edinburgh
Lothian
EH9 3DP

Shefford Health Limited

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Sheffield Health Limited

Company Information

Directors	C P Daly M A Hedley Dr M Baxter Dr R Boodhun
Registered office	10 - 12 High Street
Registration number	Barnes London SW13 9LW 08945412 (England and Wales)
Accountants	Brown, Scott & Main Chartered Accountants 91 West Savile Terrace Edinburgh Lothian EH9 3DP

Sheffield Health Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Sheffield Health Limited
for the Year Ended 31 March 2023**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Sheffield Health Limited for the year ended 31 March 2023 as set out on pages 4 to 11 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 of Scotland, we are subject to its ethical and other professional requirements which are detailed at www.icas.com/accountspreparationguidance.

This report is made solely to you, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the financial information of Sheffield Health Limited and state those matters that we have agreed to state to you in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work or for this report.

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

We have not been instructed to carry out an audit or a review of the accounts of Sheffield Health Limited. 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 accounts.

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Brown, Scott & Main
Chartered Accountants
91 West Savile Terrace
Edinburgh
Lothian
EH9 3DP

26 July 2023

Sheffield Health Limited

(Registration number: 8945412)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	<u>6</u>	3,146	3,396
Tangible assets	<u>7</u>	10,138	18,541
		<u>13,284</u>	<u>21,937</u>
Current assets			
Stock		57,576	50,671
Debtors	<u>8</u>	217,677	194,689
Cash at bank and in hand		<u>279,366</u>	<u>305,941</u>
		554,619	551,301
Creditors: Amounts falling due within one year	<u>9</u>	<u>(396,429)</u>	<u>(358,575)</u>
Net current assets		<u>158,190</u>	<u>192,726</u>
Total assets less current liabilities		171,474	214,663
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(23,206)</u>	<u>(32,094)</u>
Provisions for liabilities	<u>13</u>	<u>(1,561)</u>	<u>(3,169)</u>
Net assets		<u>146,707</u>	<u>179,400</u>
Capital and reserves			
Called up share capital	<u>11</u>	1,000	1,000
Profit and loss account		<u>145,707</u>	<u>178,400</u>
Total equity		<u>146,707</u>	<u>179,400</u>

For the financial year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

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

.....

M A Hedley
Director

The notes on pages 5 to 11 form an integral part of these financial statements.
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Shefford Health Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

1 General information

Shefford Health Limited is a private company limited by share capital, incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The principal place of business is:
The Shefford Health Centre
Robert Lucas Drive
Shefford
Bedfordshire
SG17 5FS
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The presentation currency is sterling.

Financial instruments

Classification

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 balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic Financial Assets

Basic financial assets, which include stock, debtors 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 value rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic Financial Liabilities

Basic financial liabilities, which include creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Creditors 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. Creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective rate of interest.

Sheffield Health Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Intangible assets

The company's intangible assets comprise a licence fee paid to obtain permission to operate the company's pharmacy. 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.

The company's licence is being amortised on the straight line basis over its estimated life of 20 years. This is a departure from the requirements of section 1A of FRS 102 which requires intangible assets to be amortised over a period not exceeding 10 years where it is not possible to make a reliable estimate of the asset's useful life. The directors believe the company's licence has a lifespan longer than 10 years and consider 20 years is a more accurate period for amortisation of the licence.

If the licence had been amortised over 10 years the amortisation charge to the profit and loss account would have been £500 (2022 £500) resulting in a decrease in profit of £250 (2022 £250).

Tangible assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciation is provided at rates calculated so as to write off the cost less residual value of each asset over its expected useful life as follows:

Asset class	Depreciation method and rate
Furniture, fixtures and fittings	10% straight line
Office equipment	20% straight line
Leasehold improvements	5% straight line

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Stock

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items, and comprise pharmaceutical products for resale.

Going concern

The financial statements have been prepared on a going concern basis.

Turnover

Turnover represents sales of pharmaceutical products, excluding value added tax and net of discounts allowed, recognised when goods are despatched or provided to customers.

Tax

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 corporation 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.

Sheffield Health Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs and are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Hire purchase and leases

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.

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

Defined contribution pension obligation

The company operates a defined contribution pension scheme whose assets are held separately from those of the company in independently administered funds. Contributions payable to the pension scheme are charged to the profit and loss account in the period to which they relate.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 18 (2022 - 15).

4 Other operating income

	2023	2022
	£	£
Reimbursement of Covid-19 costs	-	32,943

5 Taxation

The tax charge on the profit for the year was as follows:

	2023	2022
	£	£
UK corporation tax	17,382	22,540
Deferred tax	(1,608)	(1,406)
	<u>15,774</u>	<u>21,134</u>

Sheffield Health Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

6 Intangible assets

	Licences £	Total £
Cost or valuation		
At 1 April 2022	5,000	5,000
At 31 March 2023	5,000	5,000
Amortisation		
At 1 April 2022	1,604	1,604
Amortisation charge	250	250
At 31 March 2023	1,854	1,854
Carrying amount		
At 31 March 2023	3,146	3,146
At 31 March 2022	3,396	3,396

7 Tangible assets

	Leasehold improvements £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2022	2,667	60,499	4,000	67,166
At 31 March 2023	2,667	60,499	4,000	67,166
Depreciation				
At 1 April 2022	610	45,515	2,500	48,625
Charge for the year	133	7,270	1,000	8,403
At 31 March 2023	743	52,785	3,500	57,028
Carrying amount				
At 31 March 2023	1,924	7,714	500	10,138
At 31 March 2022	2,057	14,984	1,500	18,541

8 Debtors

	2023 £	2022 £
Current		
Trade debtors	184,915	170,550

Prepayments	3,240	2,707
Other debtors	29,522	21,432
	<u>217,677</u>	<u>194,689</u>

Trade debtors includes balances due from related parties. Further details are provided at note 14.

Sheffield Health Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

9 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	10	10,000	11,326
Trade creditors		311,839	277,181
Taxation and social security		22,823	27,132
Accruals and deferred income		50,648	41,988
Other creditors		1,119	948
		<u>396,429</u>	<u>358,575</u>

Trade creditors and accruals and deferred income include balances due to related parties. Further details are provided at note 14.

Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	10	<u>23,206</u>	<u>32,094</u>

10 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	<u>23,206</u>	<u>32,094</u>

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	10,000	10,000
Hire purchase creditor	<u>-</u>	<u>1,326</u>
	<u>10,000</u>	<u>11,326</u>

In 2020 the company borrowed £50,000 through the government's bounce back loan scheme, made available to businesses in response to the coronavirus pandemic. The loan is interest free for the first 12 months (the first 12 months interest is payable by the UK Government) and no repayments were due within that period. Interest is then charged at 2.5% per annum and the loan is repayable over the following 5 years by monthly instalment.

11 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary of £1 each	1,000	1,000	1,000	1,000

Sheffield Health Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

At the year end the share capital comprised 550 Rushport Shares of £1.00 each and 450 Doctor Shares of £1.00 each. Since the year end 250 Doctor Shares have been reclassified as Rushport Shares.

12 Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	21,038	22,592
Between one and five years	60,915	81,353
In more than five years	-	-
	<u>81,953</u>	<u>103,945</u>

13 Provisions for liabilities

	2023	2022
	£	£
Deferred tax	<u>1,561</u>	<u>3,169</u>
		Deferred tax
Balance at 1 April 2022		3,169
Credit to income statement during the year		<u>(1,608)</u>
Balance at 31 March 2023		<u>1,561</u>

Shefford Health Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

14 Related party transactions

The company is a joint venture between C P Daly, a director and majority shareholder of Shefford Health Limited, and the medical partnership of Dr Baxter and Partners, whose partners are directors and minority shareholders in the company. During the year the company paid dividends totalling £55,000 (2022 £41,250) to C P Daly and £45,000 (2022 £33,750) to Dr Baxter and Partners.

M A Hedley, a director of the company, is also a director and majority shareholder in Wellbeing Pharmacies Limited, which provides administrative services in the company and reimburses to the company certain supplier rebates on its purchases.

The following related party trading transactions took place at arms length during the year:

	Goods and services provided by Shefford Health Limited		Goods and services purchased by Shefford Health Limited	
	2023	2022	2023	2022
	£	£	£	£
Dr Baxter and Partners	8,937	36,658	25,508	32,848
Wellbeing Pharmacies Limited	-	-	35,118	36,381

At the year end the following material related party trading balances were due:

	Balances due to Shefford Health Limited		Balances due from Shefford Health Limited	
	2023	2022	2023	2022
	£	£	£	£
Dr Baxter and Partners	527	10,347	46,235	37,521
Wellbeing Pharmacies Limited	-	1,317	16,287	11,644

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.