

PRINCE PHARMACY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 31 AUGUST 2018

PRINCE PHARMACY LIMITED
REGISTERED NUMBER: 07968894

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2018

	Note	31 August 2018 £	25 July 2018 £
Fixed assets			
Tangible assets	5	193,276	183,567
		<u>193,276</u>	<u>183,567</u>
Current assets			
Stocks	6	89,495	126,194
Debtors: amounts falling due within one year	7	331,107	305,543
Cash at bank and in hand	8	262,785	1,053
		<u>683,387</u>	<u>432,790</u>
Creditors: amounts falling due within one year	9	(494,345)	(776,539)
Net current assets/(liabilities)		<u>189,042</u>	<u>(343,749)</u>
Total assets less current liabilities		<u>382,318</u>	<u>(160,182)</u>
Creditors: Amounts Falling Due After More Than One Year	10	(583,089)	(98,401)
Net liabilities		<u>(200,771)</u>	<u>(258,583)</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(200,773)	(258,585)
		<u>(200,771)</u>	<u>(258,583)</u>

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 period in question in accordance with section 476 of 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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

PRINCE PHARMACY LIMITED
REGISTERED NUMBER: 07968894

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 October 2019.

Hasan Ukra
Director

Muzar Al-Hakim
Director

The notes on pages 4 to 13 form part of these financial statements.

PRINCE PHARMACY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 AUGUST 2018

	Called up share capital £	Profit and loss account £	Total equity £
At 1 March 2017	2	177,304	177,306
Comprehensive income for the period			
Loss for the period	-	(435,889)	(435,889)
At 26 July 2018	2	(258,585)	(258,583)
Comprehensive income for the period			
Profit for the period	-	57,812	57,812
At 31 August 2018	<u>2</u>	<u>(200,773)</u>	<u>(200,771)</u>

The notes on pages 4 to 13 form part of these financial statements.

PRINCE PHARMACY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018**

1. General information

Prince Pharmacy Limited is a private company limited by share capital, incorporated in England and Wales under registration number 07968894. The address of the registered office is 64 New Cavendish Street, London, W1G 8TB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the assumption that the company will have the continued financial support of the shareholders. The shareholders of the company have sufficient resources to finance the company as and when the need arises.

The financial statements have been prepared on a going concern basis which is dependent on the financial support of the shareholders to ensure that the company will continue in operational existence or the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

2. Accounting policies (continued)

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

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 March 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Taxation

Tax is recognised in the Statement of comprehensive income, 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.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Plant and machinery	-	25%	on cost
Motor vehicles	-	25%	on cost
Computer equipment	-	25%	on cost
Improvement to properties	-	10%	on cost

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 the Statement of comprehensive income.

2.11 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.

2.12 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.

2.13 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.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

2. Accounting policies (continued)

2.15 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Employees

The average monthly number of employees, including directors, during the period was 14 (2018 - 22).

PRINCE PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

4. Taxation

	2018 £	2018 £
Corporation tax		
Current tax on profits for the year	1,800	(19,547)
	<u>1,800</u>	<u>(19,547)</u>
Total current tax	<u>1,800</u>	<u>(19,547)</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit/(loss) on ordinary activities	<u>1,800</u>	<u>(19,547)</u>

Factors affecting tax charge for the period

There were no factors that affected the tax charge for the period which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2018 - 19%).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

5. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Improve- ments to property £
Cost or valuation					
At 26 July 2018	135,001	66,821	4,995	4,019	47,700
Additions	-	-	-	12,011	-
At 31 August 2018	<u>135,001</u>	<u>66,821</u>	<u>4,995</u>	<u>16,030</u>	<u>47,700</u>

Depreciation

PRINCE PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

5. Tangible fixed assets (continued)

At 26 July 2018	-	52,047	3,218	3,407	16,298
Charge for the period on owned assets	-	1,366	45	406	484
At 31 August 2018	-	53,413	3,263	3,813	16,782
Net book value					
At 31 August 2018	<u>135,001</u>	<u>13,408</u>	<u>1,732</u>	<u>12,217</u>	<u>30,918</u>
At 25 July 2018	<u>135,001</u>	<u>14,774</u>	<u>1,777</u>	<u>612</u>	<u>31,403</u>
				Total	
				£	
Cost or valuation					
At 26 July 2018					258,536
Additions					12,011
At 31 August 2018					270,547
Depreciation					
At 26 July 2018					74,970
Charge for the period on owned assets					2,301
At 31 August 2018					77,271
Net book value					
At 31 August 2018					<u>193,276</u>
At 25 July 2018					<u>183,567</u>

PRINCE PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

6. Stocks

	31 August 2018 £	25 July 2018 £
Finished goods and goods for resale	89,495	126,194
	<u>89,495</u>	<u>126,194</u>

7. Debtors

	31 August 2018 £	25 July 2018 £
Corporation tax repayable	12,971	19,547
Rent and other deposits	224,750	224,750
VAT repayable	19,276	13,330
Prepayments	74,110	47,916
	<u>331,107</u>	<u>305,543</u>

8. Cash and cash equivalents

	31 August 2018 £	25 July 2018 £
Cash at bank and in hand	262,786	1,054
	<u>262,786</u>	<u>1,054</u>

PRINCE PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

9. Creditors: Amounts falling due within one year

	31 August 2018 £	25 July 2018 £
Trade creditors	334,257	425,223
Corporation tax	1,800	-
Other taxation and social security	5,357	-
Pension fund loan	125	-
Other creditors	25,733	25,733
Wages and Salaries	25,522	-
Accruals and deferred income	101,551	40,347
Director loan account	-	285,236
	<u>494,345</u>	<u>776,539</u>

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

	31 August 2018 £	25 July 2018 £
Other loans	69,601	98,401
Amounts owed to group undertakings	513,488	-
	<u>583,089</u>	<u>98,401</u>

11. Loans

Analysis of the maturity of loans is given below:

	31 August 2018 £	25 July 2018 £
Amounts falling due 1-2 years		
Other loans	69,601	98,401
	<u>69,601</u>	<u>98,401</u>
	<u>69,601</u>	<u>98,401</u>

PRINCE PHARMACY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2018

12. Share capital

	31 August 2018 £	25 July 2018 £
Allotted, called up and fully paid		
2 (2018 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

13. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £57 (2018 - £233).

14. Related party transactions

On 25 July 2018, the company's entire share capital was acquired by AOAM Pharma Limited, a company registered in British Virgin Islands under registration number 1981610 and registered office situated at Nerine Chambers, P O Box 905, Road Town, Tortola, BVI. At the year end, the company owed £513,488 to AOAM Pharma Limited.

15. Controlling party

There was no controlling party.