Company registration number: 11625145

HEALTH HOUSE HOLDINGS LIMITED

(formerly CliniCann Limited and Ukann Limited)

Annual report and financial statements

For the period from incorporation on 16 October 2018 to 30 June 2019

CONTENTS

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS	Robert Hyman Beenstock (appointed 19th March 2019)
	Michael David Rann (appointed 8th May 2019)
	David Colin Wheeler
	Paul Mavor (resigned on 4th September 2019)
	Antony Michael Samios (appointed on 4th September 2019, resigned on 24th March 2020)
	Jason William Gould Peterson (appointed on 16th January 2020)
	Baroness Simone Jari Finn (appointed on 17th April 2020)
	Rakesh Uppal (appointed on 17th April 2020)
COMPANY NUMBER	11625145
REGISTERED OFFICE	Memery Crystal LLP
	165 Fleet Street
	London
	EC4A 2DY
AUDITOR	PKF Littlejohn LLP
	15 Westferry Circus, Canary Wharf
	London, United Kingdom
	E14 4HD

DIRECTORS' REPORT

General information

The Directors present their Annual Report and the audited consolidated financial statements of Health House Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the period from 16 October 2018 to 30 June 2019. On 7 November 2018 the Company changed its name from Ukann Limited to CliniCann Limited. On 21 March 2019 the Company changed its name from CliniCann Limited to Health House Holdings Limited.

All companies in the Group are registered in England. The Company has two dormant fully-owned subsidiaries: Health House Pharma Limited and Health House Distribution UK Limited.

Principal activities

Health House Holdings Limited is a holding company, with the intention of carrying out operations in the pharmaceutical wholesale and distribution sectors through its subsidiary companies.

During the period to 30 June 2019, the Company formed the Group by acquiring two shell companies for nominal consideration.

Results and dividends

The profit for the period, after taxation, amounted to £nil. The Directors do not propose a dividend in respect of the period ended 30 June 2019.

Directors

The Board is responsible for the Group's objectives and business strategy and its overall supervision. Acquisition, divestment and other strategic decisions will all be considered and determined by the Board including, when circumstances permit, whether the payment of dividends, issue or buy back of shares is appropriate.

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Robert Hyman Beenstock (appointed 19th March 2019)
Michael David Rann (appointed 8th May 2019)
David Colin Wheeler
Paul Mavor (resigned on 4th September 2019)
Antony Michael Samios (appointed on 4th September 2019, resigned on 24th March 2020)
Jason William Gould Peterson (appointed on 16th January 2020)
Rakesh Uppal (appointed on 17th April 2020)
Baroness Simone Jari Finn (appointed on 17th April 2020)

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- So far as that Director is aware, there is no relevant audit information of which the Group and Company's auditors are unaware, and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

Post balance sheet events

Post balance sheet events are detailed in note 9 of the consolidated financial statements.

DIRECTORS' REPORT

COVID-19 Assessment

The impact of the Covid-19 virus has clearly, and is continuing to, put businesses across the world under severe pressure both operationally and financially. Early on in the pandemic, the Board recognised the need to proactively manage the potential impact by continually monitoring risks to the business and ensuring that cost control measures were identified and enacted.

As such, whilst there is no certainty as to the length of time that the pandemic will be ongoing, the Board are of the view that by acting swiftly, the business is in a strong position to maintain its current trading and continue to grow whilst at the same time continuing to monitor and adapt as required during the ongoing global situation.

Auditors

The auditors, PKF Littlejohn LLP, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Status of this Directors report

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 14 October 2020 and signed on its behalf.

……………………………………………………………

David Wheeler

Chief Executive Officer

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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.

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Health House Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2019 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2019 and of the group's and parent company' profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

INDEPENDENT AUDITOR'S REPORT

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Ling (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

14 October 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2019

	Note	Period ended 30 June 2019 £
Revenue		-
Cost of sales		-
Gross profit		-
Administrative expenses		-
Other income		-
Operating profit		-
Finance income		-
Finance costs		-
Profit before taxation		-
Taxation	4	-
Profit after taxation		-
Other comprehensive income		-
Total comprehensive income for the period		-

All results in the current financial year derive from continuing operations.

The accounting policies and notes on pages 13 to 19 form part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

	Note	As at 30 June 2019 £
Assets		
Current assets		-
Liabilities		
Current liabilities		-
Net assets		-
Equity		
Share capital	6	-
Share premium	7	-
Total shareholder equity		-

The Group financial statements were approved by the board of directors and authorised for issue on 14 October 2020 and are signed on its behalf by:

…………………………………

David Wheeler

Chief Executive Officer

The accounting policies and notes on pages 13 to 19 form part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

	Share capital	Share premium	Retained earnings	Total
	£	£	£	£
Incorporated on 16 October 2018	-	-	-	-
Comprehensive income:				
Profit for the period	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	-	-
Issue of share capital	-	-	-	-
Balance at 30 June 2019	-	-	-	-

The accounting policies and notes on pages 13 to 19 form part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

	Period ended 30 June 2019 £
Cash flows from operating activities	
Cash used in operations	-
Net cash outflow from operating activities	**-**
Net cash used in investing activities	-
Cash flows from financing activities	-
Net increase in cash and cash equivalents	**-**
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at end of the period	**-**

The accounting policies and notes on pages 13 to 19 form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

1. General information

Health House Holdings Limited was incorporated in the United Kingdom under the Companies Act 2016, is a private company limited by shares and is registered in England and Wales. The address of the Group's registered office is shown on page 3.

On 13 November 2018, Health House Holdings Limited acquired 100% of Health House Distribution UK Limited, a shell company, for nominal consideration.

On 1 May 2019, the Group acquired 100% of Health House Pharma Limited, a shell company, for nominal consideration.

The principal activities of Health House Holdings Limited and its subsidiaries (together, "the Group") and the nature of the Group's operations are set out in the Directors' Report on pages 4 to 5.

2. New and amended IFRS standards

These are the first financial statements of the Group prepared in accordance with International Financial Reporting Standards. The Group has therefore adopted all recognition, measurement and disclosure requirements of IFRS, in effect for annual periods commencing on or after 1 January 2018.

Standards which are in issue but not yet effective

The following relevant new standards and amendments to standards and interpretations have been issued, but are not effective for the financial year beginning on 1 January 2018, as adopted by the European Union, and have not been early adopted:

Standard	Description	Effective date as adopted by the EU
IFRS 16	Leases	1 January 2019
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019
Annual Improvements	2015-2017 Cycle	1 January 2019

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods, except with regards to disclosure purposes.

3. Significant accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historic cost convention and in accordance with International Financial Reporting Standards, (IFRS's) and IFRS Interpretation Committee interpretation (IFRS IC) as adopted by the European Union and with the Companies Act 2006 applicable to companies reporting under IFRS. The period presented is 8 months from incorporation on 18 October 2018 to 30 June 2019.

The financial statements are prepared in sterling, which is the functional currency of the Group.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

Notwithstanding the fact that the Group did not trade during the period, the financial statements have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future.

In making their assessment as to the going concern assumption, the Directors have taken into consideration its available cash reserve and the Group's commitments for the foreseeable future. The Directors have also considered the effect of the ongoing worldwide pandemic of Covid19 on the Group and Company's financial position and believe that that it has implemented sufficient risk mitigation strategies to limit the effect of Covid19 on the Group and Company's operations.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

3. Significant accounting policies (continued)

Going concern (continued)

The Directors have reviewed projections for a period of at least 12 months from the date of approval of the Financial Statements. The Group is currently loss making, but significant cash resources were raised post period end to finance its activities and acquisitions.

After considering the uncertainties described above, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence over the twelve months from the date of approval of these financial statements. For these reasons they continue to adopt the going concern basis of accounting in preparing the financialstatements.

The Directors, therefore, consider it appropriate to continue to prepare the financial statements on a going concern basis.

Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidated of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The group consists of Health House Holdings Limited and its wholly owned subsidiaries Health House Pharma Limited, Health House Distribution UK Limited, both of which are dormant companies.

In the consolidated financial statements, subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. Accordingly, the consolidated statement of comprehensive income and statement of cashflows include the results and cash flows of Health House Distribution UK Limited and Health House Pharma Limited for the period from acquisition on 13 November 2018 and 1 May 2019 respectively.

All intra-group transactions, balances and unrealised gains or transactions between group companies are eliminated on consolidation.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

3. Significant accounting policies (continued)

Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

3. Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group or Company has become a party to the contractual priorities of the instrument. Financial instruments are classified into specified categories dependent upon the nature and purpose of the instruments and are determined at the time of initial recognition. All financial assets are recognised as loans, receivables and cash and all financial liabilities are recognised as other financial liabilities.

IFRS 9 requires the classification of financial assets to be determined by a contractual cash flows test referred to as "Solely payment of principal and interest" (SPPI) and a business model test. Financial assets that fail the SPPI test will be measured at Fair value through the income statement. For assets passing the SPPI test, a business model test assesses the objective of holding the asset. The business model test for financial assets can be summarised as follows:

- Financial assets will be measured at amortised cost if they are held within a business model where the objective is to hold financial assets in order to collect contractual cash flows ("Hold to collect" business model).
- Financial assets will be measured at fair value through other comprehensive income if they are held within a business model where the objective is achieved by both collecting contractual cash flows and selling financial assets ("Hold to collect and sell" business model).
- Financial assets will be measured at fair value through the income statement if they do not meet the business model criteria of either "Hold to collect" or "Hold to collect and sell".

Entities also have the option to designate a financial asset as measured at fair value through the income statement if doing so eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch).

Financial assets and financial liabilities are recognised on the statement of financial position when the Company has become a party to the contractual priorities of the instrument.

Impairment

IFRS 9 introduces a new impairment model that requires the recognition of expected credit losses on all financial assets at amortised cost or at fair value through other comprehensive income (other than equity instruments), lease receivables and certain loan commitments and financial guarantee contracts. The expected credit loss must also consider forward looking information to recognise impairment allowances earlier in the lifecycle of a product. IFRS 9 consequently is likely to increase the volatility of impairment allowances as the economic outlook changes, although cash flows and cash losses are expected to remain unchanged.

IFRS 9 introduces a three-stage approach to impairment as follows:

Stage 1 - Performing loans - the recognition of 12 month expected credit losses (ECL), that is the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date, if credit risk has not increased significantly since initial recognition;

Stage 2 - Underperforming loans - lifetime expected credit losses for financial instruments for which credit risk has increased significantly since initial recognition; and

Stage 3 - Non-performing loans - lifetime expected credit losses for financial instruments which are credit impaired.

The impairment requirements are applied by reference to the credit quality at initial recognition. Where actual information on credit quality at initial recognition is not available without undue cost or effort, an approximation may be applied using internal or external information, information about similar assets, or peer group experience. Otherwise, where information on initial credit quality is not available lifetime expected credit losses must be recognised until the financial assets have been derecognised.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

3. Significant accounting policies (continued)

Financial instruments (continued)

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade and other payables are recognised initially at fair value and subsequently measured at their amortised cost using the effective interest rate method.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group or Company after deducting all of its liabilities. Equity instruments issued by the Group or Company are recorded at the proceeds received, net of direct issue costs.

Critical accounting judgements and key sources of estimation uncertainty

Judgement: Identifying the acquirer
Judgement is required in identifying the acquirer in a business combination, being the entity that obtains control of the acquiree. This depends on a number of factors, including:

- The original intention of the shareholders;
- The existence of a large minority voting interest in the combined entity;
- The composition of the governing body of the combined entity;
- The composition of the senior management of the combined entity; and
- The terms of the exchange of equity interests.

Health House Holdings Limited was deemed to be the acquirer under IFRS 3 ‘Business Combinations’ in the acquisition of Health House Distribution UK Limited and Health House Pharma Limited.

4. Taxation

	Period to 30-Jun-19 £
Current tax charge	-
Deferred tax charge	-
	-

	Period to 30-Jun-19 £
Factors affecting tax charge for the period:	
Profit before taxation	-
Profit before taxation multiplied by the weighted average of the corporation tax rates of the jurisdictions in which the group operates at 19%	-
Tax charge for the period	-

The Group has no tax losses available to be carried forward and used against trading profits arising in future periods.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

5. Financial instruments

The Group is exposed to the risks that arise from its use of financial instruments. This note describes the objectives, policies and processes of the Group and Company for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Capital risk management
The Group and Company manages its capital to ensure that it will be able to continue as a going concern whilst maximising the return to stakeholders. The Group is funded by both of its shareholders through equity financing.

The capital structure of the Group consists equity, comprising issued capital and retained profits.

The Group and Company has no externally imposed capital requirements.

Significant accounting policies
Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the accounting policies section of these financial statements.

6. Share capital

	30-Jun-19
	£
Issued and fully paid:	
1 - Ordinary shares at £0.01 each	-

7. Share premium

	30-Jun-19
	£
Balance at 16 October 2018	-
Issue of new shares	1
Less share issue costs	(1)
Balance at 30 June 2019	**-**

8. Controlling party

There is no controlling party of the Group.

9. Post balance sheet events

Fund raising

On 2 September 2019, the Company raised £1,395,980 by issuing 13,959,800 new ordinary shares.

On 8 April 2020, the Company raised a further £30,000 by issuing 300,000 new ordinary shares.

On 7 October 2020, the Company completed a further fundraising whereby the Company raised a gross amount of £536,500 from new and existing investors by issuing 10,730,000 new ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

9. Post balance sheet events (continued)

Acquisition of P&D Pharmaceuticals Limited

On 5 September 2019, the Group, via its subsidiary, Health House Pharma Limited, purchased the trade and assets of P&D Pharmaceuticals Limited, an international pharmaceutical distribution business in the UK, for £420,000. The fair value of identifiable assets acquired and liabilities assumed are set out as follows:

	£
Plant and Equipment	20,000
Customer contracts	400,000
Total identifiable assets acquired and liabilities assumed	420,000
Goodwill	-
Total consideration transferred	420,000

Acquisition of CliniCann Ltd

The Group acquired 100% of CliniCann Ltd by way of a share for share exchange. This was completed through a two step transaction, which took place on the 4th November and 20th November. 87,438,509 shares were exchanged, at an average value of A$0.076 per share. CliniCann owns 100% of the share capital of Health House Holdings Ltd, which in turn holds 100% share capital of Health House International Pty Ltd. All companies are incorporated in Australia.

Acquisition of Gees Pharmacy

On 1 September 2020, the Group, via its subsidiary, Health House Pharma Limited, purchased the trade and assets of Gees Pharmacy, a web-based pharmacy business in the UK, for £325,001. The provisional fair value of identifiable assets acquired and liabilities assumed are set out as follows:

	£
Plant and Equipment	30,000
Stock	70,000
Customer contracts	225,001
Total identifiable assets acquired and liabilities assumed	325,001
Goodwill	-
Total consideration transferred	325,001