

COMPANY REGISTRATION NUMBER: 03096460

PROACT MEDICAL LIMITED

FILLETED UNAUDITED FINANCIAL STATEMENTS

31 August 2020

PROACT MEDICAL LIMITED

STATEMENT OF FINANCIAL POSITION

31 August 2020

		2020		2019	
	Note	£	£	£	£
FIXED ASSETS					
Intangible assets	5		6,458		6,458
Tangible assets	6		35,585		33,062
			-----		-----
			42,043		39,520
CURRENT ASSETS					
Stocks		2,195,167		3,014,208	
Debtors	7	2,318,468		1,940,399	
Cash at bank and in hand		2,576,823		180,222	
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		7,090,458		5,134,829	
CREDITORS: amounts falling due within one year	8	1,482,927		1,257,239	
		-----		-----	
NET CURRENT ASSETS			5,607,531		3,877,590
TOTAL ASSETS LESS CURRENT LIABILITIES			-----		-----
			5,649,574		3,917,110
PROVISIONS			6,762		6,282
			-----		-----
NET ASSETS			5,642,812		3,910,828
			-----		-----
CAPITAL AND RESERVES					
Called up share capital fully paid			100		100
Profit and loss account			5,642,712		3,910,728
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SHAREHOLDERS FUNDS			5,642,812		3,910,828
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 August 2020 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

PROACT MEDICAL LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 August 2020

These financial statements were approved by the board of directors and authorised for issue on 28 March 2021 , and are signed on behalf of the board by:

Mr N Manners

Director

Company registration number: 03096460

PROACT MEDICAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 9-13 Oakley Hay Lodge, Great Folds Road, Corby, Northamptonshire, NN18 9AS.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research expenditure is written off in the period in which it is incurred. Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met: - It is technically feasible to complete the intangible asset so that it will be available for use or sale; - There is the intention to complete the intangible asset and use or sell it; - There is the ability to use or sell the intangible asset; - The use or sale of the intangible asset will generate probable future economic benefits; - There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and - The expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure that does not meet the above criteria is expensed as incurred.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer Equipment	-	25% reducing balance
Fixtures, Fittings & Plant	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit and loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit and loss.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 48 (2019: 52).

5. INTANGIBLE ASSETS

	Goodwill	Development costs	Total
	£	£	£
Cost			
At 1 September 2019 and 31 August 2020	40,000	6,458	46,458
Amortisation			
At 1 September 2019 and 31 August 2020	40,000	–	40,000
	-----	-----	-----
Carrying amount			
At 31 August 2020	–	6,458	6,458
	-----	-----	-----
At 31 August 2019	–	6,458	6,458
	-----	-----	-----

6. TANGIBLE ASSETS

	Plant and machinery	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 September 2019	60,004	111,097	171,101
Additions	11,129	1,241	12,370
Disposals	(1,668)	–	(1,668)
	-----	-----	-----
At 31 August 2020	69,465	112,338	181,803
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Depreciation			
At 1 September 2019	44,405	93,634	138,039
Charge for the year	4,882	4,683	9,565
Disposals	(1,386)	–	(1,386)
	-----	-----	-----
At 31 August 2020	47,901	98,317	146,218
	-----	-----	-----
Carrying amount			
At 31 August 2020	21,564	14,021	35,585
	-----	-----	-----
At 31 August 2019	15,599	17,463	33,062
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7. DEBTORS

	2020	2019
	£	£
Trade debtors	1,722,458	1,381,555
Other debtors	596,010	558,844
	-----	-----
	2,318,468	1,940,399
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The debtors above include the following amounts falling due after more than one year:

	2020	2019
	£	£
Other debtors	225,000	150,000
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8. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	616,940	387,518

Corporation tax	260,820	59,102
Social security and other taxes	243,837	37,445
Other creditors	361,330	773,174
	<u>1,482,927</u>	<u>1,257,239</u>

9. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Later than 1 year and not later than 5 years	44,825	139,301
Later than 5 years	326,067	379,667
	370,892	518,968

The above commitment includes an average annual rental of £53,600 in respect of the lease of land and buildings, which is due to expire on 1 October 2026. It also includes an average annual rental of £91,200, which is due to expire in January 2021.

10. RELATED PARTY TRANSACTIONS

The directors have advanced funds to the company. At the year end the amount owed by the company was £ 244,398 (2019 £ 188,511).

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.