

Company Registration No. 03137456 (England and Wales)

THE BULLEN HEALTHCARE GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE BULLEN HEALTHCARE GROUP LIMITED

COMPANY INFORMATION

Directors	Mr P F Bullen Mrs L C Marsden Mr P A Bullen Mr J M Charles Mr I N Burton
Secretary	Mr I N Burton
Company number	03137456
Registered office	c/o DSG, Chartered Accountants Castle Chambers 43 Castle Street Liverpool L2 9TL
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL
Business address	Glacier Building Brunswick Business Park Harrington Road Liverpool L3 4BH

THE BULLEN HEALTHCARE GROUP LIMITED

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THE BULLEN HEALTHCARE GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Principal activity and fair review of business

The principal activity of the company in the year under review was to provide management services for the group. The subsidiaries' activities were the manufacture and sale of healthcare and surgical equipment.

The results for the group show a pre-tax profit of £3,453,068 (2020: £928,753) for the year and sales of £46,927,158 (2020: £42,574,746).

The group has net assets of £7,182,234 (2020: £4,597,884)

The year to March 2021 has seen continued stability in the margins achieved in the business in what can be a competitive marketplace. There has been a focus on cash management during the year and this has seen significant benefits in the levels of headroom available in the business to allow strategic decisions to be taken and to reduce the level of interest payable. This is expected to continue in the future.

The business continues to invest significantly in fixed assets including IT systems to ensure that the Group continues to offer a cutting edge service to its patients and other stakeholders.

Whilst slightly decreased at the year end, Stock has remained high given the continued impacts of Covid-19 and Brexit. This is not due to change in the near future.

Principal risks and uncertainties

Business risk

The management of the business is subject to certain risks. These include the risk of competition, loss of key personnel and the risk of losing the Dispensing Appliance Contractor (DAC) Licences which are held by other group entities. Management deal with risks in a proactive manner to minimise any loss of trade to the company.

Economic risk

The key business risks and uncertainties affecting the company are considered to relate to the economy in general and the pharmaceutical industry in particular. Other factors include competition from both national and independent pharmaceutical distributors, employee retention and product availability.

Credit risk

Credit risk is a constant risk and all new customers are reviewed and their financial position assessed before acceptance. The debt from existing customers is monitored on a regular basis to reduce the cash flow risk.

Coronavirus risk

Management has considered the potential operational challenges posed by COVID 19, including but not restricted to, an assessment of the robustness of their supply chain and broader logistic arrangements. See the going concern accounting policy for further information, however management does not foresee any operational pressures to be caused by the COVID 19 situation or any material impact on the company.

Key performance indicators

It is envisaged that when assessing the performance of the business against key performance indicators such as turnover, gross profit, cost control and overall profitability, the group will continue to perform well and develop in line with its business plan.

Future developments

The directors have considered the future activities of the group and consider that they are well placed to manage their business risks and take advantage of any business opportunities that arise.

THE BULLEN HEALTHCARE GROUP LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board

Mr P A Bullen
Director

3 June 2021

THE BULLEN HEALTHCARE GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

This report contains the statutory information disclosed in addition to that set out in the strategic report. Information relating to the principal activity, risk management policies and future developments, which would otherwise be included in the Directors' Report, is included in the Strategic Report.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £160,000. The directors do not recommend payment of a further dividend.

Directors

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

Mr P F Bullen
Mrs L C Marsden
Mr P A Bullen
Mr J M Charles
Mr I N Burton

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Post reporting date events

There have been no major changes since the balance sheet date.

Auditor

The auditor, DSG, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr P A Bullen
Director

3 June 2021

THE BULLEN HEALTHCARE GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

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 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE BULLEN HEALTHCARE GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BULLEN HEALTHCARE GROUP LIMITED

Opinion

We have audited the financial statements of The Bullen Healthcare Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. Our opinion on the 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

THE BULLEN HEALTHCARE GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BULLEN HEALTHCARE GROUP LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- 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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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 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 financial statements, the directors are responsible for assessing 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

THE BULLEN HEALTHCARE GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BULLEN HEALTHCARE GROUP LIMITED

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity. The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include environmental regulations, health and safety legislation, trades description act, employment legislation and pharmaceutical regulations in accordance with the health and social care act 2012.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; reviewing post year end payments for evidence of claims pay outs and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Jean Ellis BA FCA CTA (Senior Statutory Auditor)
For and on behalf of DSG

3 June 2021

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

THE BULLEN HEALTHCARE GROUP LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	46,927,158	42,574,746
Cost of sales		(33,770,088)	(30,451,271)
Gross profit		13,157,070	12,123,475
Distribution costs		(1,109,971)	(1,217,532)
Administrative expenses		(8,506,209)	(9,788,276)
Other operating income		10,000	-
Operating profit	4	3,550,890	1,117,667
Share of results of associates and joint ventures		-	(72,548)
Interest payable and similar expenses	8	(97,822)	(116,366)
Profit before taxation		3,453,068	928,753
Tax on profit	9	(708,718)	(216,453)
Profit for the financial year	26	2,744,350	712,300

Profit for the financial year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

THE BULLEN HEALTHCARE GROUP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Profit for the year	2,744,350	712,300
Other comprehensive income	-	-
Total comprehensive income for the year	<u>2,744,350</u>	<u>712,300</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

THE BULLEN HEALTHCARE GROUP LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Goodwill	11		35,062		55,094
Other intangible assets	11		1,528,472		1,243,522
Total intangible assets			1,563,534		1,298,616
Tangible assets	12		2,305,363		1,917,991
Investments	13		469,956		469,956
			4,338,853		3,686,563
Current assets					
Stocks	17	3,229,353		3,552,405	
Debtors	19	12,005,256		10,831,146	
Cash at bank and in hand		268		3,570	
		15,234,877		14,387,121	
Creditors: amounts falling due within one year	20	(12,082,723)		(13,102,943)	
Net current assets			3,152,154		1,284,178
Total assets less current liabilities			7,491,007		4,970,741
Provisions for liabilities					
Provisions	22	-		40,000	
Deferred tax liability	25	308,773		332,857	
			(308,773)		(372,857)
Net assets			7,182,234		4,597,884
Capital and reserves					
Called up share capital	24		50,000		50,000
Capital redemption reserve	26		7,000		7,000
Profit and loss reserves	26		7,125,234		4,540,884
Total equity			7,182,234		4,597,884

The financial statements were approved by the board of directors and authorised for issue on 3 June 2021 and are signed on its behalf by:

Mr P A Bullen
Director

THE BULLEN HEALTHCARE GROUP LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Goodwill	11		40,067		60,099
Other intangible assets	11		1,528,472		1,243,522
Total intangible assets			1,568,539		1,303,621
Tangible assets	12		2,305,363		1,917,991
Investments	13		813,560		813,560
			4,687,462		4,035,172
Current assets					
Debtors	19	3,836,451		4,184,081	
Cash at bank and in hand		-		3,082	
		3,836,451		4,187,163	
Creditors: amounts falling due within one year	20	(6,431,995)		(6,992,562)	
Net current liabilities			(2,595,544)		(2,805,399)
Total assets less current liabilities			2,091,918		1,229,773
Provisions for liabilities					
Deferred tax liability	25	308,773		332,857	
			(308,773)		(332,857)
Net assets			1,783,145		896,916
Capital and reserves					
Called up share capital	24		50,000		50,000
Capital redemption reserve	26		7,000		7,000
Profit and loss reserves	26		1,726,145		839,916
Total equity			1,783,145		896,916

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,046,229 (2020 - £261,771 profit).

The financial statements were approved by the board of directors and authorised for issue on 3 June 2021 and are signed on its behalf by:

Mr P A Bullen
Director

Company Registration No. 03137456

THE BULLEN HEALTHCARE GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2019		50,000	7,000	4,028,584	4,085,584
Year ended 31 March 2020:					
Profit and total comprehensive income for the year		-	-	712,300	712,300
Dividends	10	-	-	(200,000)	(200,000)
Balance at 31 March 2020		50,000	7,000	4,540,884	4,597,884
Year ended 31 March 2021:					
Profit and total comprehensive income for the year		-	-	2,744,350	2,744,350
Dividends	10	-	-	(160,000)	(160,000)
Balance at 31 March 2021		50,000	7,000	7,125,234	7,182,234

THE BULLEN HEALTHCARE GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2019		50,000	7,000	778,145	835,145
Year ended 31 March 2020:					
Profit and total comprehensive income for the year		-	-	261,771	261,771
Dividends	10	-	-	(200,000)	(200,000)
Balance at 31 March 2020		50,000	7,000	839,916	896,916
Year ended 31 March 2021:					
Profit and total comprehensive income for the year		-	-	1,046,229	1,046,229
Dividends	10	-	-	(160,000)	(160,000)
Balance at 31 March 2021		50,000	7,000	1,726,145	1,783,145

THE BULLEN HEALTHCARE GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	31	1,905,874		3,469,868	
Interest paid		(97,822)		(116,366)	
Income taxes paid		(180,130)		(126,687)	
Net cash inflow from operating activities		1,627,922		3,226,815	
Investing activities					
Purchase of intangible assets		(465,000)		(172,623)	
Purchase of tangible fixed assets		(794,115)		(517,792)	
Net cash used in investing activities		(1,259,115)		(690,415)	
Financing activities					
(Decrease)/increase in invoice discounting facility		(371,831)		(1,369,524)	
Dividends paid to equity shareholders		(160,000)		(200,000)	
Net cash used in financing activities		(531,831)		(1,569,524)	
Net (decrease)/increase in cash and cash equivalents		(163,024)		966,876	
Cash and cash equivalents at beginning of year		(436,362)		(1,403,238)	
Cash and cash equivalents at end of year		(599,386)		(436,362)	
Relating to:					
Cash at bank and in hand		268		3,570	
Bank overdrafts		(599,654)		(439,932)	

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

The Bullen Healthcare Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is .

The group consists of The Bullen Healthcare Group Limited and all of its subsidiaries.

The principal activity of the company and its subsidiaries is disclosed in the Strategic Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of DAC licences at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company The Bullen Healthcare Group Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

1.4 Going concern

As part of assessing the potential impact of the ongoing COVID 19 virus situation management has prepared financial forecasts for the company and group. These forecasts indicate that the company and group will continue to trade profitably, and generate cash, over the period considered by them in their assessment of the appropriateness of adopting the going concern basis in the preparation of these financial statements. The forecasts also demonstrate that existing banking facilities will remain adequate. Management has also considered the impact of potential operational challenges posed by COVID 19, including but not restricted to, an assessment of the robustness of their supply chain and logistics arrangements. Management has concluded that any operational pressures caused directly by the COVID 19 situation are unlikely to have a material impact on the company and group. On this basis the directors consider it appropriate to prepare these financial statements on a going concern basis.

1.5 Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts. Revenue is recognised as customers are invoiced; at the point of delivery of goods.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on despatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	25% straight line
DAC licences	20 years straight line

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Tenant improvements	Over 25 years
Land and buildings leasehold	Over the life of the lease
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	25% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates, unlisted investments and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. However, this has been recognised as part of the cost of investment in the accounts. The goodwill is being amortised over 8 years and the amortisation is included in the valuation of investment each year.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Unlisted investments are entities in which the company holds an interest but has no significant holding or influence in the entity.

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.13 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade 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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.15 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.16 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.18 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.20 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.21 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.22 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

DAC Licences

The fair value of the DAC licences has been determined by the directors based by reference to active market prices.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2021 £	2020 £
Turnover analysed by class of business		
Sale of goods	46,927,158	42,574,746
	<u>46,927,158</u>	<u>42,574,746</u>
	2021 £	2020 £
Turnover analysed by geographical market		
United Kingdom	46,927,158	42,574,746
	<u>46,927,158</u>	<u>42,574,746</u>
	2021 £	2020 £
Other significant revenue		
Grants received	10,000	-
	<u>10,000</u>	<u>-</u>

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(24)	192
Government grants	(10,000)	-
Depreciation of owned tangible fixed assets	406,743	446,405
Amortisation of intangible assets	200,082	174,558
Operating lease charges	662,114	693,741
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	20,000	20,000
	<u> </u>	<u> </u>
For other services		
All other non-audit services	10,000	10,000
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Manufacturing	23	22	-	-
Stores	31	26	-	-
Administration	83	80	16	16
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	137	128	16	16
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	4,217,814	5,153,449	1,061,480	2,199,372
Social security costs	345,203	626,050	123,120	421,649
Pension costs	172,145	256,591	104,170	191,784
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	4,735,162	6,036,090	1,288,770	2,812,805
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	527,454	1,652,154
Company pension contributions to defined contribution schemes	90,000	90,000
	<u>617,454</u>	<u>1,742,154</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2020 - 1).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	256,687	1,192,167

The directors are the key management personnel.

8 Interest payable and similar expenses

	2021 £	2020 £
Interest on bank overdrafts and loans	88,800	75,291
Other interest	9,022	41,075
Total finance costs	<u>97,822</u>	<u>116,366</u>

9 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	705,634	180,308
Adjustments in respect of prior periods	27,168	(5,300)
Total current tax	<u>732,802</u>	<u>175,008</u>
Deferred tax		
Origination and reversal of timing differences	(10,180)	45,140
Adjustment in respect of prior periods	(13,904)	(3,695)
Total deferred tax	<u>(24,084)</u>	<u>41,445</u>
Total tax charge	<u>708,718</u>	<u>216,453</u>

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	3,453,068	928,753
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	656,083	176,463
Tax effect of expenses that are not deductible in determining taxable profit	41,463	45,307
Permanent capital allowances in excess of depreciation	(2,092)	11,540
Research and development tax credit	-	(15,252)
Under/(over) provided in prior years	27,168	(5,300)
Deferred tax adjustments in respect of prior years	(13,904)	3,695
Taxation charge	708,718	216,453

10 Dividends

	2021 £	2020 £
Recognised as distributions to equity holders:		
Interim paid	160,000	200,000

11 Intangible fixed assets

Group	Goodwill £	Software £	DAC licences £	Total £
Cost				
At 1 April 2020	223,148	388,445	1,465,000	2,076,593
Additions	-	-	465,000	465,000
At 31 March 2021	223,148	388,445	1,930,000	2,541,593
Amortisation and impairment				
At 1 April 2020	168,054	201,431	408,492	777,977
Amortisation charged for the year	20,032	97,112	82,938	200,082
At 31 March 2021	188,086	298,543	491,430	978,059
Carrying amount				
At 31 March 2021	35,062	89,902	1,438,570	1,563,534
At 31 March 2020	55,094	187,014	1,056,508	1,298,616

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Intangible fixed assets

(Continued)

Company	Goodwill	Software	DAC licences	Total
	£	£	£	£
Cost				
At 1 April 2020	223,148	388,445	1,465,000	2,076,593
Additions	-	-	465,000	465,000
At 31 March 2021	223,148	388,445	1,930,000	2,541,593
Amortisation and impairment				
At 1 April 2020	163,049	201,431	408,492	772,972
Amortisation charged for the year	20,032	97,112	82,938	200,082
At 31 March 2021	183,081	298,543	491,430	973,054
Carrying amount				
At 31 March 2021	40,067	89,902	1,438,570	1,568,539
At 31 March 2020	60,099	187,014	1,056,508	1,303,621

The remaining amortisation period of the DAC licences is 15 years (2018: 16 years).

12 Tangible fixed assets

Group	Tenant improvements	Land and buildings leasehold	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	971,577	334,637	1,192,437	2,187,995	297,453	4,984,099
Additions	-	380,092	58,716	196,912	158,395	794,115
At 31 March 2021	971,577	714,729	1,251,153	2,384,907	455,848	5,778,214
Depreciation and impairment						
At 1 April 2020	258,330	26,717	904,856	1,693,270	182,935	3,066,108
Depreciation charged in the year	38,863	12,001	80,047	243,438	32,394	406,743
At 31 March 2021	297,193	38,718	984,903	1,936,708	215,329	3,472,851
Carrying amount						
At 31 March 2021	674,384	676,011	266,250	448,199	240,519	2,305,363
At 31 March 2020	713,247	307,920	287,581	494,725	114,518	1,917,991

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

(Continued)

Company	Tenant improvements	Land and buildings leasehold	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	971,577	334,637	1,175,698	2,187,995	297,453	4,967,360
Additions	-	380,092	58,716	196,912	158,395	794,115
At 31 March 2021	971,577	714,729	1,234,414	2,384,907	455,848	5,761,475
Depreciation and impairment						
At 1 April 2020	258,330	26,717	888,117	1,693,270	182,935	3,049,369
Depreciation charged in the year	38,863	12,001	80,047	243,438	32,394	406,743
At 31 March 2021	297,193	38,718	968,164	1,936,708	215,329	3,456,112
Carrying amount						
At 31 March 2021	674,384	676,011	266,250	448,199	240,519	2,305,363
At 31 March 2020	713,247	307,920	287,581	494,725	114,518	1,917,991

13 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	14	-	-	7,560	7,560
Unlisted investments		469,956	469,956	806,000	806,000
		469,956	469,956	813,560	813,560

Movements in fixed asset investments

Group	Investments £
Cost or valuation	
At 1 April 2020 and 31 March 2021	469,956
Carrying amount	
At 31 March 2021	469,956
At 31 March 2020	469,956

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Fixed asset investments (Continued)

Movements in fixed asset investments			
Company	Shares in subsidiaries	Other investments	Total
	£	£	£
Cost or valuation			
At 1 April 2020 and 31 March 2021	7,560	806,000	813,560
Carrying amount			
At 31 March 2021	7,560	806,000	813,560
At 31 March 2020	7,560	806,000	813,560

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Bullen International Healthcare Limited	England and Wales	Dormant	Ordinary	100.00
Charles S Bullen Stomacare Limited	England and Wales	Sale of stomacare eurology and wound equipment	Ordinary	100.00
Owen Bros. (Footwear) Limited	England and Wales	Dormant	Ordinary	100.00
S.G. & P Payne Limited	England and Wales	Dormant	Ordinary	100.00

The registered address of the subsidiaries is the same as The Bullen Healthcare Group Limited.

15 Joint ventures

Details of joint ventures at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Interest held	% Held Direct
Healthcare Advisory Group Limited	England & Wales	Dormant	Ordinary	50.00

The registered address of the subsidiaries is the same as The Bullen Healthcare Group Limited.

16 Unlisted investments

The group has the following holding in unlisted investments:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Trio Healthcare Holdings Ltd	England and Wales	Distribution of healthcare products	Ordinary	18.10

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Unlisted investments

(Continued)

The registered address of the company is 3 Royal Court, Tatton Street, Knutsford, England, WA16 6EN.

On the 22 October 2019 all shares in Trio Healthcare Limited ('Trio') were transferred on a share for share basis to Trio Healthcare Holdings Ltd ('Trio H'), which is now the 100% owner of Trio. The Company's original holding of 20% (15% ordinary shares & 5% non-voting ordinary shares) in Trio was exchanged for a 18.1% investment in Trio H. The Company no longer has any representation on the board of Trio and therefore has no significant control over Trio and is no longer considered an associate.

17 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	3,229,353	3,552,405	-	-

Stock is stated after provisions for impairment of £354,845 (2020: £260,352).

18 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	11,379,530	10,226,988	n/a	n/a
Equity instruments measured at cost less impairment	469,956	469,956	n/a	n/a
Carrying amount of financial liabilities				
Measured at amortised cost	10,427,921	12,157,477	n/a	n/a

19 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	11,157,511	9,818,612	-	-
Amounts owed by group undertakings	-	-	3,068,864	3,450,482
Other debtors	660,684	835,348	587,859	570,241
Prepayments and accrued income	187,061	177,186	179,728	163,358
	12,005,256	10,831,146	3,836,451	4,184,081

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Creditors: amounts falling due within one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	21	599,654	439,932	127,497	-
Trade creditors		5,683,823	6,445,225	97,194	83,170
Amounts owed to group undertakings		-	-	3,509,527	3,509,527
Corporation tax payable		731,075	178,403	136,056	56,237
Other taxation and social security		923,727	767,063	50,321	46,839
Other creditors		3,660,592	3,210,849	2,409,998	1,636,989
Accruals and deferred income		483,852	2,061,471	101,402	1,659,800
		<u>12,082,723</u>	<u>13,102,943</u>	<u>6,431,995</u>	<u>6,992,562</u>

Included within Creditors is £1,183,650 (2020: £1,555,481) secured on the trade debtors.

21 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank overdrafts	<u>599,654</u>	<u>439,932</u>	<u>127,497</u>	<u>-</u>
Payable within one year	<u>599,654</u>	<u>439,932</u>	<u>127,497</u>	<u>-</u>

Bank overdrafts are secured by a fixed charge over book and other debts, goodwill, uncalled capital and intellectual property and a floating charge on all the other assets of the company, including property.

22 Provisions for liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Dilapidations		-	20,000	-	-
Legal		-	20,000	-	-
		<u>-</u>	<u>40,000</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities	25	308,773	332,857	308,773	332,857
		<u>308,773</u>	<u>372,857</u>	<u>308,773</u>	<u>332,857</u>

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

22 Provisions for liabilities

(Continued)

Movements on provisions apart from deferred tax liabilities:

Group	Dilapidations £	Legal £	Total £
At 1 April 2020	20,000	20,000	40,000
Reversal of provision	(11,000)	(13,279)	(24,279)
Utilisation of provision	(9,000)	(6,721)	(15,721)
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	-	-	-
	<u> </u>	<u> </u>	<u> </u>

23 Retirement benefit schemes

Defined contribution schemes	2021 £	2020 £
Charge to profit or loss in respect of defined contribution schemes	172,145	256,591
	<u> </u>	<u> </u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Share capital

Group and company	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

25 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2021 £	Liabilities 2020 £
ACAs	122,265	201,187
Revaluation of DAC licences	186,508	131,670
	<u> </u>	<u> </u>
	308,773	332,857
	<u> </u>	<u> </u>

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

25 Deferred taxation		(Continued)	
		Liabilities 2021 £	Liabilities 2020 £
Company			
ACAs		122,265	201,187
Revaluation of DAC licences		186,508	131,670
		<u>308,773</u>	<u>332,857</u>
		Group 2021 £	Company 2021 £
Movements in the year:			
Liability at 1 April 2020		332,857	332,857
Credit to profit or loss		(10,180)	(10,180)
Other		(13,904)	(13,904)
		<u>308,773</u>	<u>308,773</u>

26 Reserves

Profit and loss reserves

The company's profit and loss reserve includes undistributable reserves of £391,235 (2020: £421,330) in relation to the revaluation of intangible assets.

27 Financial commitments, guarantees and contingent liabilities

Each company in the group has given a joint and several guarantee and a fixed and floating charge to secure its own indebtedness and the indebtedness of the other companies in the group to the group bankers.

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

28 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	282,388	311,676	185,500	195,375
Between two and five years	793,607	856,112	732,750	737,000
In over five years	454,125	634,125	454,125	634,125
	<hr/>	<hr/>	<hr/>	<hr/>
	1,530,120	1,801,913	1,372,375	1,566,500
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

29 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with the following related parties:

Charles S Bullen Executive Pension Scheme - common directors and members

Peter Bullen Discretionary Settlement - controlled by P F Bullen

Gloria Bullen Discretionary Trust - controlled by PF Bullen

P F Bullen - director

P A Bullen - director

L C Marsden - director

I Burton - director

C Bullen - son of P F Bullen

Bullen Lewis and Partners Limited - common director

L Bullen - wife of P A Bullen

	Rental costs		Dividends	
	2021	2020	2021	2020
	£	£	£	£
Group				
Other related parties	352,834	364,434	160,000	200,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Company				
Other related parties	195,326	195,326	160,000	200,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2021	2020
	£	£
Group		
Key management personnel	2,149,824	1,489,547
Other related parties	256,417	144,813
	<u> </u>	<u> </u>
	2,406,241	1,634,360
	<u> </u>	<u> </u>
Company		
Key management personnel	2,149,824	1,489,547
Other related parties	256,417	144,813
	<u> </u>	<u> </u>
	2,406,241	1,634,360
	<u> </u>	<u> </u>

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

29 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties			Amounts owed by related parties		
	2021			2020		
	Balance £	Provision £	Net £	Balance £	Provision £	Net £
Group						
Other related parties	153,294	78,364	74,930	205,165	78,364	126,801
Company						
Other related parties	116,250	-	116,250	116,250	-	116,250

THE BULLEN HEALTHCARE GROUP LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Each company in the group has given a joint and several guarantee and a fixed and floating charge to secure its own indebtedness and the indebtedness of the other companies to the group's bankers.

30 Analysis of changes in net debt - group

	1 April 2020	Cash flows 31 March 2021	
	£	£	£
Cash at bank and in hand	3,570	(3,302)	268
Bank overdrafts	(439,932)	(159,722)	(599,654)
	<u>(436,362)</u>	<u>(163,024)</u>	<u>(599,386)</u>

31 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	2,744,350	712,300
Adjustments for:		
Share of results of associates and joint ventures	-	72,548
Taxation charged	708,718	216,453
Finance costs	97,822	116,366
Amortisation and impairment of intangible assets	200,082	174,558
Depreciation and impairment of tangible fixed assets	406,743	446,405
Decrease in provisions	(40,000)	(50,000)
Movements in working capital:		
Decrease/(increase) in stocks	323,052	(372,371)
Increase in debtors	(1,174,110)	(1,457,585)
(Decrease)/increase in creditors	(1,360,783)	3,611,194
Cash generated from operations	<u>1,905,874</u>	<u>3,469,868</u>

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.