

Company registration number 03459373 (England and Wales)

**ACUMED LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# ACUMED LTD

## COMPANY INFORMATION

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<b>Directors</b>	Mr N Ryder	
	Mr S M Cameron	
	Mr D L Brown	(Appointed 4 November 2022)
	Mr H Meerdervoort	(Appointed 20 February 2023)
	Mr D M Stiles	(Appointed 20 February 2023)

<b>Company number</b>	03459373
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<b>Registered office</b>	Huebner House The Fairground Weyhill Andover Hampshire SP11 0QN
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<b>Auditor</b>	HJS Accountants Limited Tagus House 9 Ocean Way Southampton Hampshire United Kingdom SO14 3TJ
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# ACUMED LTD

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# ACUMED LTD

## STRATEGIC REPORT

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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The directors present the strategic report for the year ended 31 December 2022.

#### **Review of the business**

The result for the year which are set out in the profit and loss account show turnover of £15,212,157 (2021 - £13,233,505) and an operating profit of £3,938,320 (2021 - £3,520,228). As at December 2022 the company had net assets of £22,582,900 (2021 - £19,367,979).

The directors monitor performance by reviewing turnover, gross margins and profit or loss before taxation. Turnover has increased by 14.95% to £15,212,157 due to an increase in demand of the company's orthopedic and related surgical products from the NHS and private clinics following suppressed demand in the lockdown periods because of the COVID-19 pandemic. Gross margin has remained the same as the prior year at 54% mostly because both revenue and cost of sales increased in the same direction as a result of the return to higher demand after the impact of COVID-19 on the business. These factors resulted in a increase in profit before tax from £3,613,499 to £4,008,334.

The director consider the performance for the year and the financial position at the year end to be satisfactory.

#### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to number of risks. Risks are reviewed by the board and appropriate processes put in place to monitor and mitigate them .

The company is exposed to risks through the supply of orthopedic and surgical products to the NHS and private hospitals & clinics. Consequently the business is exposed to changes in the NHS through spending & procurement cuts with increasing pressure on pricing and margins and strong competitors in the marketplace. The business mitigates these risks through a continual programme of investment in new products specifically tailored to the end user's needs and inventory management.

## ACUMED LTD

### STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Section 172(1) statement**

The companies (Miscellaneous Reporting) Regulations 2018 introduced a requirement for companies to publish a statement describing how the directors have had regard to the matters set out in section 172 (1)(a) to (f) of the Companies Act 2006.

172 (1)(a) to (f) required each director to act in the way he or she considered would be most likely to promote the success the company for the benefit of its members as a whole with regard to the following matter:

(a) The likely consequences of any decision in the long term:

The company directors have set out a direction for the company designed to have a long term beneficial impact on the company and its subsidiary and to help drive success.

(b) The interests of the company's employees:

Employees are key to the success of the organisation. We aim to be a responsible employer and the health and safety of all our employees is a primary consideration in the way we do business.

(c) The need to foster the company's business relationships with suppliers, customers and others:

Interaction with key stakeholders is key to the success of our business and our aim is to partner with both customers and suppliers to help deliver orthopedic and related surgical products.

(d) The impact of the company's operations on the community and environment.

As a significant employer in our local area, we support local employment. We collaborate with local educational institutes where possible and are actively reducing our environmental impact.

(e) The desirability of the company maintaining a reputation for high standards of business conduct:

The directors follow a strict code of conduct, both set by the company and Berkshire Hathaway, and use this as a guide to all business transactions.

(f) The need to act fairly as between members of the company.

The directors believe they have acted in the good faith to promote the goals of the company for the benefit of its members and in doing so have given regard to our key stakeholders including our members.

On behalf of the board

Mr N Ryder  
**Director**

27 September 2023

# ACUMED LTD

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their annual report and financial statements for the year ended 31 December 2022.

#### Principal activities

The principal activity of the company is the distribution of orthopedic and medical products to hospitals in the United Kingdom.

#### Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final 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 N Ryder	
Mr S M Cameron	
Mrs S Wolfington	(Resigned 13 September 2022)
Ms Nighat Siddiqui	(Resigned 8 April 2022)
Mr D L Brown	(Appointed 4 November 2022)
Mr H Meerdervoort	(Appointed 20 February 2023)
Mr D M Stiles	(Appointed 20 February 2023)

#### 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.

#### Financial instruments

The company's financial instruments comprise of intra group balances, cash and liquid resources, and various other items such as trade debtors, trade creditors, etc. that arise directly from its operation. The main purpose of these financial instruments is to finance the operations of the company.

The existence of these financial instruments exposes the company to a number of financial risks which are set out below. The directors review and agree policies for managing these risks.

#### Credit risk:

The company seeks to manage credit risk by only selling to reputable and credit worthy customers. New customers have background and credit references checked. Existing customers have their credit limit reviewed on a quarterly basis. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

#### Cash flow risk:

The company has a level of exposure on purchase from one of its parent companies which are denominated in US Dollars. The directors accept this risk and seek to minimize the impact of this on the effect of cash flows.

#### Liquidity Risk:

The directors monitor liquidity through a tightly controlled cash management process and use of intra group balances to ensure that the company has sufficient resources to meet obligations as they fall due.

#### Auditor

HJS Accountants Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

## **ACUMED LTD**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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#### **Statement of disclosure to auditor**

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware.

On behalf of the board

Mr N Ryder  
**Director**

27 September 2023

## **ACUMED LTD**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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

- select suitable accounting policies and 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# ACUMED LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACUMED LTD

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### Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its 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 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.

## **ACUMED LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF ACUMED LTD**

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##### **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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

##### **Matters on which we are required to report by exception**

##### **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 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.

## ACUMED LTD

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ACUMED LTD

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#### **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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the relevant construction authorities. We also considered the laws and regulations which have a direct impact on the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgmental areas of the financial statements.

Audit procedures performed by the audit engagement team included:

- Discussions with senior management, including consideration of known or suspected instances of noncompliance with laws and regulations or instances of fraud;
- Identifying and testing journal entries based on risk criteria;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Testing transactions entered into outside of the normal course of the company's business;
- Reviewing any potential litigation or claims against the entity which indicate any potential noncompliance issues.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

## **ACUMED LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ACUMED LTD**

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#### **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.

**Angela Trainor**  
**Senior Statutory Auditor**  
**For and on behalf of HJS Accountants Limited**  
**Chartered Accountants and Statutory Auditor**  
Tagus House  
9 Ocean Way  
Southampton  
Hampshire  
United Kingdom  
SO14 3TJ

27 September 2023

## ACUMED LTD

### PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	15,212,155	13,233,505
Cost of sales		(7,062,301)	(6,078,553)
<b>Gross profit</b>		8,149,854	7,154,952
Distribution costs		(1,256,737)	(1,431,513)
Administrative expenses		(3,014,437)	(2,243,867)
Other operating income		59,640	40,656
<b>Operating profit</b>	<b>4</b>	3,938,320	3,520,228
Interest receivable and similar income	<b>8</b>	70,014	96,282
Interest payable and similar expenses	<b>9</b>	-	(3,010)
<b>Profit before taxation</b>		4,008,334	3,613,500
Tax on profit	<b>10</b>	(776,106)	(764,901)
<b>Profit for the financial year</b>		3,232,228	2,848,599

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

# ACUMED LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,533,645		1,783,313
<b>Current assets</b>					
Stocks	12	9,980,385		8,349,394	
Debtors	13	3,394,607		2,918,670	
Cash at bank and in hand		9,219,294		7,838,608	
		<u>22,594,286</u>		<u>19,106,672</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(1,304,259)</u>		<u>(1,298,541)</u>	
<b>Net current assets</b>			<u>21,290,027</u>		<u>17,808,131</u>
<b>Total assets less current liabilities</b>			<u>22,823,672</u>		<u>19,591,444</u>
<b>Provisions for liabilities</b>					
Deferred tax liability	15	<u>223,465</u>		<u>223,465</u>	
			<u>(223,465)</u>		<u>(223,465)</u>
<b>Net assets</b>			<u><u>22,600,207</u></u>		<u><u>19,367,979</u></u>
<b>Capital and reserves</b>					
Called up share capital	17		8,800		8,800
Capital redemption reserve			1,200		1,200
Profit and loss reserves			<u>22,590,207</u>		<u>19,357,979</u>
<b>Total equity</b>			<u><u>22,600,207</u></u>		<u><u>19,367,979</u></u>

## **ACUMED LTD**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2022***

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The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:

Mr N Ryder  
**Director**

**Company Registration No. 03459373**

## ACUMED LTD

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£
<b>Balance at 1 January 2021</b>	8,800	1,200	16,509,380	16,519,380
<b>Year ended 31 December 2021:</b>				
Profit and total comprehensive income for the year	-	-	2,848,599	2,848,599
<b>Balance at 31 December 2021</b>	8,800	1,200	19,357,979	19,367,979
<b>Year ended 31 December 2022:</b>				
Profit and total comprehensive income for the year	-	-	3,232,228	3,232,228
<b>Balance at 31 December 2022</b>	8,800	1,200	22,590,207	22,600,207



# ACUMED LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Company information**

Acumed Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Huebner House, The Fairground, Weyhill, Andover, Hampshire, SP11 0QN.

#### **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. The principal accounting policies adopted are set out below.

#### **Name of Parent Group**

These financial statements are consolidated in the financial statements of Berkshire Hathaway Inc.. The financial statements of Berkshire Hathaway Inc. may be obtained from 1440 Kiewit Plaza, Omaha, Nebraska USA.

#### **Summary of significant accounting policies and key accounting estimates**

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

#### **Summary of disclosure exemptions**

Acumed Ltd meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of disclosure exemptions made available to it in respect of its financial statements. Exemption has been taken in relation to financial instruments and the presentation of a statement of cash flows

#### **1.2 Going concern**

The directors have prepared the forecast information for a period of at least one year from the date of approval of these financial statements. Based on these forecasts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### **1.4 Tangible fixed assets**

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

## ACUMED LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1 Accounting policies**

**(Continued)**

Depreciation is charge so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows

Freehold buildings	30 years
Plant and Machinery	20% straight line
Office equipment	15% straight line
Computers	33% straight line

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 credited or charged to profit or loss.

#### **1.5 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

# ACUMED LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.6 Financial instruments

##### Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deduction all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

##### Recognition and Measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of once or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

For financial assets carried at amortized cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial assets' original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the assets carrying amount and the best estimated of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher Than the carrying value had no impairment been recognised.

##### 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.

# ACUMED LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **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.

#### **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 company 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.

#### **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 company's contractual obligations expire or are discharged or cancelled.

### 1.7 Taxation

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

#### **Current tax**

The current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

# ACUMED LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in the tax assessments.

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.

The company's liability for current and deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **1.8 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.9 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 leases asset are consumed.

#### **1.10 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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

#### **1.11 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.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

## ACUMED LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3 Turnover and other revenue

The analysis of the company's revenue for the year from continuing operations is as follow:

	2022	2021
	£	£
<b>Turnover analysed by class of business</b>		
Sale of goods	15,212,156	13,233,505
	<u>15,212,156</u>	<u>13,233,505</u>
<b>Analysis per statutory database</b>	<b>15,212,156</b>	<b>13,233,505</b>
<b>Statutory database analysis does not agree to the trial balance by:</b>	<b>1</b>	<b>-</b>
	2022	2021
	£	£
<b>Turnover analysed by geographical market</b>		
UK	15,212,156	13,233,505
	<u>15,212,156</u>	<u>13,233,505</u>
<b>Analysis per statutory database</b>	<b>15,212,156</b>	<b>13,233,505</b>
<b>Statutory database analysis does not agree to the trial balance by:</b>	<b>1</b>	<b>-</b>
	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	48,537	86,723
Grants received	-	6,429
	<u>48,537</u>	<u>93,152</u>

#### 4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	93,342	42,342
Government grants	-	(6,429)
Depreciation of owned tangible fixed assets	544,651	630,760
Operating lease charges	1,241	-
	<u>639,234</u>	<u>666,673</u>

#### 5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	27,200	36,294
	<u>27,200</u>	<u>36,294</u>
<b>For other services</b>		
All other non-audit services	1,500	1,500
	<u>1,500</u>	<u>1,500</u>

## ACUMED LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### 6 Employees

	2022 Number	2021 Number
Directors	1	1
Sales and administration	37	33
Total	38	34

	2022 £	2021 £
Wages and salaries	2,196,340	1,879,746
Social security costs	252,519	222,073
Pension costs	132,168	112,020
	2,581,027	2,213,839

#### 7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	102,374	171,786
Company pension contributions to defined contribution schemes	5,840	5,720
	108,214	177,506

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1).

#### 8 Interest receivable and similar income

	2022 £	2021 £
<b>Interest income</b>		
Interest receivable from group companies	48,537	86,723
<b>Income from fixed asset investments</b>		
Income from participating interests - associates	21,477	9,559
Total income	70,014	96,282

# ACUMED LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

		(Continued)	
<b>8</b>	<b>Interest receivable and similar income</b>		
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	48,537	86,723
		<u>          </u>	<u>          </u>
<b>9</b>	<b>Interest payable and similar expenses</b>		
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on bank overdrafts and loans	-	3,010
		<u>          </u>	<u>          </u>
<b>10</b>	<b>Taxation</b>		
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	793,413	791,063
	Adjustments in respect of prior periods	(2,924)	(167)
		<u>          </u>	<u>          </u>
	Total current tax	790,489	790,896
		<u>          </u>	<u>          </u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(14,383)	(25,995)
		<u>          </u>	<u>          </u>
	Total tax charge	776,106	764,901
		<u>          </u>	<u>          </u>
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:			
		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Profit before taxation	4,008,334	3,613,500
		<u>          </u>	<u>          </u>
	Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	761,583	686,565
	Change in unrecognised deferred tax assets	(23,360)	53,631
	Adjustments in respect of prior years	424	(167)
	Group relief	(971)	(330)
	Deferred tax adjustments in respect of prior years	24,047	(703)
	Tax increase from effect of capital allowances and depreciation	14,383	25,905
		<u>          </u>	<u>          </u>
	Taxation charge for the year	776,106	764,901
		<u>          </u>	<u>          </u>



# ACUMED LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 11 Tangible fixed assets

	Freehold buildings £	Plant and Machinery £	Office equipment £	Computers £	Total £
<b>Cost</b>					
At 1 January 2022	906,516	3,384,141	204,187	99,227	4,594,071
Additions	-	279,273	5,452	25,702	310,427
Disposals	-	(15,444)	-	-	(15,444)
At 31 December 2022	906,516	3,647,970	209,639	124,929	4,889,054
<b>Depreciation and impairment</b>					
At 1 January 2022	210,839	2,370,187	146,145	83,587	2,810,758
Depreciation charged in the year	20,285	490,337	17,131	16,898	544,651
At 31 December 2022	231,124	2,860,524	163,276	100,485	3,355,409
<b>Carrying amount</b>					
At 31 December 2022	675,392	787,446	46,363	24,444	1,533,645
At 31 December 2021	695,677	1,013,954	58,042	15,640	1,783,313

Included within the net book value of land and buildings above is £675,392 (2021 - £695,677) in respect of freehold land and buildings of which £297,957 (2021 - £297,957) represents land which is not depreciated.

### 12 Stocks

	2022 £	2021 £
Raw materials and consumables	9,980,385	8,349,394

### 13 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	3,175,366	2,704,462
Corporation tax recoverable	17,237	37,438
Amounts owed by group undertakings	103,973	99,203
Other debtors	17,639	11,268
Prepayments and accrued income	80,392	66,299
	3,394,607	2,918,670

## ACUMED LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	284,898	131,244
Amounts owed to connected company	362,024	561,288
Taxation and social security	236,529	210,956
Other creditors	420,808	395,053
	<u>1,304,259</u>	<u>1,298,541</u>

#### 15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022	Liabilities 2021
Balances:	£	£
Accelerated capital allowances	<u>223,465</u>	<u>223,465</u>

There were no deferred tax movements in the year.

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

#### 16 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>132,168</u>	<u>112,020</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

#### 17 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>8,800</u>	<u>8,800</u>	<u>8,800</u>	<u>8,800</u>

## ACUMED LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18 Related party transactions

##### Transactions with related parties

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

	2022 £	2021 £
<b>Amounts due to related parties</b>		
Entities with control, joint control or significant influence over the company	362,024	561,288

The following amounts were outstanding at the reporting end date:

	2022 £	2021 £
<b>Amounts due from related parties</b>		
Entities with control, joint control or significant influence over the company	103,973	99,203

#### 19 Ultimate controlling party

The company's immediate parent is Acumed Acquisition Company Limited, incorporated in England & Wales. The ultimate parent is Berkshire Hathaway Inc. incorporated in the United States of America. The most senior parent entity producing publicly available financial statements is Berkshire Hathaway Inc. being the parent of the largest group in which these financial statements are consolidated. These financial statements are available upon request from 1440 Kiewit Plaza, Omaha, Nebraska, USA.

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