

Registered number: 07872692

## **Blueleaf Limited**

**Audited**

**Annual Report and Financial Statements**

**For the Period Ended 31 March 2019**



## **Blueleaf Limited**

### **Company Information**

<b>Directors</b>	C A Campbell Esq N Campbell Esq J M Andrews Esq (appointed 23 November 2018) S Andrews Esq (appointed 23 November 2018)
<b>Registered number</b>	07872692
<b>Registered office</b>	Charwood House Oakhurst Business Park Southwater West Sussex RH13 9RT
<b>Independent auditors</b>	Kreston Reeves LLP Chartered Accountants & Statutory Auditor Springfield House Springfield Road Horsham West Sussex RH12 2RG
<b>Bankers</b>	HSBC Bank PLC 9 The Boulevard Crawley West Sussex RH10 1UT

## **Blueleaf Limited**

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## **Blueleaf Limited**

### **Strategic Report For the Period Ended 31 March 2019**

#### **Introduction**

The directors present their strategic report accompanying the financial statements for the period ended 31 March 2019.

#### **Business review**

Blueleaf became a combined 'merged' entity part-way through the period under review and has continued to trade successfully through a period of significant infrastructure and business focus changes. This was the both the intention and the final result, to create a platform for long-term future progression and success, utilising scale, market penetration and combined vision to enable the healthcare sector in delivering the best possible care.

The business results for the 18 month period through to, and position as at, 31 March 2019 show a pre-tax profit of £290,553, which was lower than anticipated but accurately reflects the two primary underlying factors:

1. Significant operating costs for the period associated primarily with:
  - a. significant merger transaction and integration of 100% of both merged entities,
  - b. a complete corporate re-branding
  - c. change and system integration costs in relation to the implementing a full new ERP system secure a solid technological platform for future development and expansion (see below)
2. An additional smaller business acquisition in November 2018 in order to secure a corporate footprint in the south of UK for further market penetration.

The activity of the company during the 18 month period to 31 March 2019 entailed exceptional and large-scale change, in turn generating significant cost to both manage the activity of the necessary change whilst retain the company's customer base in its entirety. This led the business to an operational loss position but in turn, has resulted in a pre-tax profit position at the end of the period.

Business advisors at Board level, and specific talent in-fills at operational level, as well as increased general levels of human resource spend was also deployed across the business during this period to provide both next level of strategic management and control for the larger entity and also to service the increase in activity.

The business revenues and gross profit levels support the view that, despite major change programs, the customer base remaining solid throughout and monthly revenues remained steady throughout this period showing a loyal customer base and a good service level.

During this period the business also dealt with the well-documented external political and economic pressures in relation to Brexit, which meant it had to implement risk mitigation plans twice in relatively quick succession at significant incremental cost to the business by initiating higher than normal stock levels and warehousing costs, each of which initiative was negated by successive missed Brexit deadlines.

Since the period in review, the business has seen the incontestable benefit of all of the change programmes and is experiencing a substantial forward trajectory of growth and opportunity as the benefits are realised, customers experience the agility of the new infrastructure and the costs have been significantly reduced beyond where these could have been prior. In addition, the business has been further able to cope with the demands of the Covid-19 crisis and respond with the agility and scale that was critical to flourish in the environment as it presents itself.

## Blueleaf Limited

### Strategic Report (continued) For the Period Ended 31 March 2019

#### Principal risks and uncertainties

Principal risks and uncertainties, not already dealt with elsewhere in this report include:

##### Competitive and Market risk

Underlying trading conditions remained good but competitive, with a gradual but fundamental shift in the technology base of the industry contributing to price-inertia across the product range. The reporting period was materially affected by the Brexit process, with Brexit stock planning causing some volatility in supply chains and temporarily but adversely affecting the company with higher stock-holding, warehousing and operations costs. Underlying trends and outlook for the Care supply industry remain encouraging and the retention by Blueleaf of its customer base throughout a significant period of change for the company, significantly underpins the long-term plans for the company in the now enlarged corporate footprint.

##### Legal risk

No significant issues in relation to legal actions or risk were encountered during the period under review.

##### Credit risk

Continued support from our key suppliers, particularly overseas, together with a regular and stable Trade Finance-driven financing process through our bankers ensured that no material or lasting retrenchment of credit coverage was experienced. Credit agencies remained supportive throughout.

#### Financial key performance indicators

Profits before tax of £290,553 were recorded for the 18 month period to 31 March 2019, which includes significant exceptional change costs and temporary increases in the on-going operational cost base.

	£
Turnover	38,367,753
Gross Profit	9,269,428
Earnings before interest and tax	464,257

#### Future developments

The directors believe the company will continue to trade successfully in the foreseeable future.

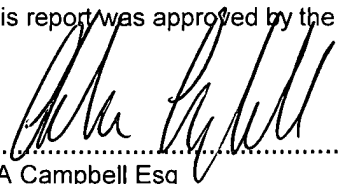
The future strategic direction for the company is to continue to consolidate and integrate and to continue to make significant steps in the healthcare sector in terms of growth and market share, and the business is positioned to grow both domestically and internationally alongside the larger domestic and international clients, something that could not have been achieved without the execution of the aforementioned business combination and ERP implementation strategy.

The business is now gaining access to larger clients in both its Wholesale and Projects business lines and continues to pursue more profitable business lines across the client base.

**Blueleaf Limited**

**Strategic Report (continued)**  
**For the Period Ended 31 March 2019**

This report was approved by the board and signed on its behalf.

  
.....  
C A Campbell Esq  
Director

Date: 6 May 2020

## **Blueleaf Limited**

### **Directors' Report For the Period Ended 31 March 2019**

The directors present their report and the financial statements for the period ended 31 March 2019.

On 20 June 2018 the company changed its name from Clinicare Supplies Limited to Blueleaf Limited.

The company has changed its balance sheet date to 31 March, therefore, the results for the current period reflect 18 months' activity and the comparative results represent 9 months' of activity. The comparatives are, therefore, not entirely comparable.

#### **Principal activity**

The principal activity of the company continued to be that of wholesales and interior design and supply to the care industry in the UK.

#### **Directors**

The directors who served during the period were:

C A Campbell Esq  
Mrs R J Campbell (resigned 27 November 2018)  
N P Campbell Esq (resigned 27 November 2018)  
Mrs K Campbell (resigned 27 November 2018)  
N Campbell Esq  
J M Andrews Esq (appointed 23 November 2018)  
S Andrews Esq (appointed 23 November 2018)

#### **Results and dividends**

The profit for the period, after taxation, amounted to £401,286 (2017 - £580,600).

During the year interim dividends were paid amounting to £100,163 (2017: £169,018). The directors do not recommend the payment of a final dividend (2017: £Nil).

#### **Qualifying third party indemnity provisions**

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

#### **Charitable donations**

During the period, the company made charitable contributions to national and regional charities of £183,518 (2017: £1,123).

#### **Post balance sheet events**

Since the year end the incidence of Covid-19 has developed into a global pandemic. The directors have assessed the impact of the pandemic on the business, and as set out in the strategic report, they are confident that due to the company's customer base and its current financial strength, further business opportunities will arise.

#### **Matters covered in the strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of review of business, principal risks and uncertainties and future developments.

## **Blueleaf Limited**

### **Directors' Report (continued) For the Period Ended 31 March 2019**

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to auditors**

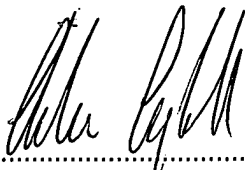
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

#### **Auditors**

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....  
C A Campbell Esq  
Director

Date: 6 May 2020



## **Blueleaf Limited**

### **Independent Auditors' Report to the Members of Blueleaf Limited**

#### **Opinion**

We have audited the financial statements of Blueleaf Limited (the 'Company') for the period ended 31 March 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Company's affairs as at 31 March 2019 and of its profit for the period 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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.

**Independent Auditors' Report to the Members of Blueleaf Limited (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report for the financial period 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept, 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.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 5, 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.

**Independent Auditors' Report to the Members of Blueleaf Limited (continued)**

**Auditors' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent Auditors' Report to the Members of Blueleaf Limited (continued)**

**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 Auditors' 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.



Graham Hunt (Senior Statutory Auditor)

for and on behalf of  
**Kreston Reeves LLP**

Chartered Accountants  
Statutory Auditor

Horsham

7 May 2020

**Blueleaf Limited**

**Statement of Comprehensive Income  
For the Period Ended 31 March 2019**

		<b>18 months ended 31 March 2019 £</b>	<b>9 months ended 30 September 2017 £</b>
	<b>Note</b>		
Turnover	4	<b>38,367,753</b>	9,776,805
Cost of sales		<b>(29,098,325)</b>	(6,715,614)
<b>Gross profit</b>		<b>9,269,428</b>	3,061,191
Administrative expenses		<b>(11,494,422)</b>	(2,284,445)
Other operating income		<b>3,577</b>	-
<b>Operating (loss)/profit</b>	5	<b>(2,221,417)</b>	776,746
Restructuring costs		<b>(543,993)</b>	-
Group entity debt write off		<b>3,229,667</b>	-
Interest receivable and similar income	9	<b>1,767</b>	-
Interest payable and expenses	10	<b>(175,471)</b>	(2,433)
<b>Profit before tax</b>		<b>290,553</b>	774,313
Tax on profit	11	<b>110,733</b>	(193,713)
<b>Profit for the financial period</b>		<b>401,286</b>	580,600

There were no recognised gains and losses for 2019 or 2017 other than those included in the statement of comprehensive income.

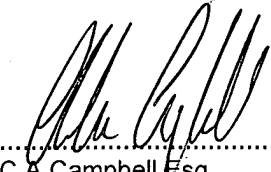
The notes on pages 13 to 30 form part of these financial statements.

Blueleaf Limited  
Registered number: 07872692

**Balance Sheet**  
**As at 31 March 2019**

		31 March 2019 £	30 September 2017 £
	<b>Note</b>		
<b>Fixed assets</b>			
Intangible assets	13	2,332,616	1,454,066
Tangible assets	14	1,714,979	250,041
		<u>4,047,595</u>	<u>1,704,107</u>
<b>Current assets</b>			
Stocks	15	3,853,754	1,446,565
Debtors: amounts falling due within one year	16	11,774,266	2,426,758
Cash at bank and in hand	17	-	312,009
		<u>15,628,020</u>	<u>4,185,332</u>
Creditors: amounts falling due within one year	18	(13,514,395)	(1,306,395)
<b>Net current assets</b>		<u>2,113,625</u>	<u>2,878,937</u>
<b>Total assets less current liabilities</b>		<u>6,161,220</u>	<u>4,583,044</u>
Creditors: amounts falling due after more than one year	19	(2,993,432)	(2,213,774)
<b>Provisions for liabilities</b>			
Deferred tax	22	(109,860)	(25,876)
<b>Net assets</b>		<u><u>3,057,928</u></u>	<u><u>2,343,394</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	1,050	1,050
Other reserves	24	299,491	-
Profit and loss account	24	2,757,387	2,342,344
		<u><u>3,057,928</u></u>	<u><u>2,343,394</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
.....  
C A Campbell Esq  
Director

Date: 6 May 2020

The notes on pages 13 to 30 form part of these financial statements.

**Blueleaf Limited**

**Statement of Changes in Equity  
For the Period Ended 31 March 2019**

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
<b>At 1 January 2017</b>	<b>1,050</b>	<b>-</b>	<b>1,900,505</b>	<b>1,901,555</b>
<b>Comprehensive income for the period</b>				
Profit for the period	-	-	580,600	580,600
<b>Other comprehensive income for the period</b>	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	580,600	580,600
Dividends: Equity capital	-	-	(138,761)	(138,761)
<b>At 1 October 2017</b>	<b>1,050</b>	<b>-</b>	<b>2,342,344</b>	<b>2,343,394</b>
<b>Comprehensive income for the period</b>				
Profit for the period	-	-	401,286	401,286
Capital contribution	-	413,411	-	413,411
<b>Other comprehensive income for the period</b>	-	413,411	-	413,411
<b>Total comprehensive income for the period</b>	-	413,411	401,286	814,697
Dividends: Equity capital	-	-	(100,163)	(100,163)
Transfer to/from profit and loss account	-	(113,920)	113,920	-
<b>At 31 March 2019</b>	<b>1,050</b>	<b>299,491</b>	<b>2,757,387</b>	<b>3,057,928</b>

The notes on pages 13 to 30 form part of these financial statements.

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Period Ended 31 March 2019**

#### **1. General information**

Blueleaf Limited is a private company limited by share capital, incorporated in England and Wales.

The address of the registered office is Charwood House, Oakhurst Business Park, Southwater, West Sussex, RH13 9RT.

The principal place of business is Charwood House, Oakhurst Business Park, Southwater, West Sussex, RH13 9RT and 96 Hopewell Drive, Chatham, Kent, ME5 7PY.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has elected to apply all amendments to FRS 102, as set out in the triennial review published in December 2017, prior to the mandatory adoption for accounting periods beginning on or after 1 January 2019.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The financial statements are presented in Sterling which is the functional currency of the company and are rounded to the nearest £1.

The following principal accounting policies have been applied:

##### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Global Consortium Limited as at 31 March 2019 and these financial statements may be obtained from Charwood House, Oakhurst Business Park, Southwater, West Sussex, RH13 9RT.

##### **2.3 Going concern**

The financial statements have been prepared on the going concern basis, on the understanding that, in addition to the support of the company's bankers in relation to committed overdraft and trade finance facilities extended to the company, the directors and shareholders will continue to financially support the company.



**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract, based on the percentage of budgeted costs incurred, when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.5 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	4 - 10 years
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**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**2. Accounting policies (continued)**

**2.6 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance or straight line basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance
Office equipment	-	25% reducing balance or straight line
Website	-	33% straight line
Laundry pumps	-	20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.7 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.8 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.10 Financial instruments**

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

**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**2. Accounting policies (continued)**

**2.10 Financial instruments (continued)**

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

**2.11 Creditors**

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

**2.12 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**2. Accounting policies (continued)**

**2.13 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.14 Interest income**

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

**2.15 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**2.16 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.17 Pensions**

**Defined contribution pension plan**

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

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

**2.18 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

**2.19 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**2. Accounting policies (continued)**

**2.20 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgments, 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Stage of completion for revenue contracts

Determining the stage of completion for revenue contracts requires an estimate of the expected costs to complete, the estimated profit or loss on the contract and the estimated completion date.

Goodwill

The company has recognised goodwill arising from business combinations with a carrying value of £2,332,616 at the reporting date (see note 13). On acquisition the company determines a reliable estimate of the useful life of goodwill based upon factors such as the expected use of the acquired business, forecasts of expected future results and cash flows, and any legal, regulatory or contractual provisions that can limit useful life. At each subsequent reporting date the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the useful life of goodwill.

# Blueleaf Limited

## Notes to the Financial Statements For the Period Ended 31 March 2019

### 4. Turnover

	18 months ended 31 March 2019 £	9 months ended 30 September 2017 £
Sale of goods	35,796,945	9,776,805
Provision of services	2,570,808	-
	<u>38,367,753</u>	<u>9,776,805</u>

Analysis of turnover by country of destination:

	18 months ended 31 March 2019 £	9 months ended 30 September 2017 £
United Kingdom	38,229,877	9,776,805
Rest of Europe	8,526	-
Rest of the world	129,350	-
	<u>38,367,753</u>	<u>9,776,805</u>

### 5. Operating profit

The operating profit is stated after charging:

	18 months ended 31 March 2019 £	9 months ended 30 September 2017 £
Depreciation of tangible fixed assets	480,046	83,516
Amortisation of intangible assets, including goodwill	434,342	163,584
Exchange differences	(52,789)	(3,236)
Defined contribution pension cost	93,472	3,568
Loss on disposal of fixed assets	111,743	-
	<u>111,743</u>	<u>-</u>

**Blueleaf Limited**

**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**6. Auditors' remuneration**

	<b>18 months ended 31 March 2019 £</b>	<b>9 months ended 30 September 2017 £</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<b>34,725</b>	<b>10,500</b>
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
All other services	<b>-</b>	<b>12,175</b>

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>18 months ended 31 March 2019 £</b>	<b>9 months ended 30 September 2017 £</b>
Wages and salaries	<b>4,551,015</b>	<b>907,584</b>
Social security costs	<b>319,237</b>	<b>75,208</b>
Cost of defined contribution scheme	<b>75,089</b>	<b>3,568</b>
	<b>4,945,341</b>	<b>986,360</b>

The average monthly number of employees, including the directors, during the period was as follows:

	<b>18 months ended 31 March 2019 No.</b>	<b>9 months ended 30 September 2017 No.</b>
Sales	<b>19</b>	<b>8</b>
Administration, support and management	<b>72</b>	<b>25</b>
Directors	<b>4</b>	<b>4</b>
	<b>95</b>	<b>37</b>

**Blueleaf Limited**

**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**8. Directors' remuneration**

	<b>18 months ended 31 March 2019 £</b>	<b>9 months ended 30 September 2017 £</b>
Directors' emoluments	<b>59,502</b>	<b>30,240</b>

**9. Interest receivable**

	<b>18 months ended 31 March 2019 £</b>	<b>9 months ended 30 September 2017 £</b>
Other interest receivable	<b>1,767</b>	<b>-</b>

**10. Interest payable and similar expenses**

	<b>18 months ended 31 March 2019 £</b>	<b>9 months ended 30 September 2017 £</b>
Bank interest payable	<b>47,100</b>	<b>-</b>
Other interest payable	<b>113,920</b>	<b>-</b>
Finance leases and hire purchase contracts	<b>14,451</b>	<b>2,433</b>
	<b>175,471</b>	<b>2,433</b>



# Blueleaf Limited

## Notes to the Financial Statements For the Period Ended 31 March 2019

### 11. Taxation

	18 months ended 31 March 2019 £	9 months ended 30 September 2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	<u>(194,717)</u>	<u>195,594</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>83,984</u>	<u>(1,881)</u>
<b>Taxation on profit on ordinary activities</b>	<u>(110,733)</u>	<u>193,713</u>

#### Factors affecting tax charge for the period

The tax assessed for the period is the same as (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.34%). The differences are explained below:

	18 months ended 31 March 2019 £	9 months ended 30 September 2017 £
Profit on ordinary activities before tax	<u>290,553</u>	<u>774,313</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.34%)	55,205	154,863
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	82,525	32,717
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	108,734	14,277
Depreciation for period in excess of capital allowances	-	520
Short term timing difference leading to a decrease in taxation	-	(1,881)
Changes in tax rates leading to a (decrease)/increase in the tax charge	(5,847)	(6,783)
Other items not taxable	(613,972)	-
Group relief	262,622	-
<b>Total tax (credit)/charge for the period</b>	<u>(110,733)</u>	<u>193,713</u>

**Blueleaf Limited**

**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**11. Taxation (continued)**

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**12. Dividends**

	<b>18 months ended 31 March 2019 £</b>	<b>9 months ended 30 September 2017 £</b>
Interim dividends paid	<b>100,163</b>	<b>138,761</b>

**13. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 October 2017	<b>2,181,105</b>
Additions	<b>1,312,892</b>
At 31 March 2019	<b>3,493,997</b>
<b>Amortisation</b>	
At 1 October 2017	<b>727,039</b>
Charge for the period	<b>434,342</b>
At 31 March 2019	<b>1,161,381</b>
<b>Net book value</b>	
At 31 March 2019	<b>2,332,616</b>
At 30 September 2017	<b>1,454,066</b>

Blueleaf Limited

Notes to the Financial Statements  
For the Period Ended 31 March 2019

14. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Website £	Laundry pumps £	Total £
<b>Cost or valuation</b>							
At 1 October 2017	136,761	238,732	-	144,509	-	-	520,002
Additions	-	72,466	27,829	220,447	-	180,730	501,472
Transfers intra group	1,080,893	934,739	846,252	306,409	55,765	263,142	3,487,200
Disposals	(399,202)	(101,364)	-	-	-	-	(500,566)
At 31 March 2019	818,452	1,144,573	874,081	671,365	55,765	443,872	4,008,108
<b>Depreciation</b>							
At 1 October 2017	108,303	58,866	-	102,792	-	-	269,961
Charge for the period	125,781	129,907	19,115	154,663	-	50,580	480,046
Transfers intra group	619,696	462,493	588,926	183,805	29,402	4,386	1,888,708
Disposals	(305,351)	(40,235)	-	-	-	-	(345,586)
At 31 March 2019	548,429	611,031	608,041	441,260	29,402	54,966	2,293,129
<b>Net book value</b>							
At 31 March 2019	270,023	533,542	266,040	230,105	26,363	388,906	1,714,979
At 30 September 2017	28,458	179,866	-	41,717	-	-	250,041

## Blueleaf Limited

### Notes to the Financial Statements For the Period Ended 31 March 2019

#### 14. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 March 2019 £	30 September 2017 £
Motor vehicles	<u>533,542</u>	<u>113,893</u>

The depreciation on motor vehicles held under finance leases or hire purchase contracts, included above, was £129,907 for the period (2017 - £25,489).

#### 15. Stocks

	31 March 2019 £	30 September 2017 £
Finished goods and goods for resale	<u>3,853,754</u>	<u>1,446,565</u>

#### 16. Debtors

	31 March 2019 £	30 September 2017 £
Trade debtors	8,419,339	1,762,310
Amounts owed by group and related undertakings	2,204,655	95,339
Other debtors	816,511	513,567
Called up share capital not paid	50	50
Prepayments and accrued income	333,711	55,492
	<u>11,774,266</u>	<u>2,426,758</u>

## Blueleaf Limited

### Notes to the Financial Statements For the Period Ended 31 March 2019

#### 17. Cash and cash equivalents

	31 March 2019 £	30 September 2017 £
Cash at bank and in hand	-	312,009
Less: bank overdrafts	(1,635,953)	-
	<u>(1,635,953)</u>	<u>312,009</u>

#### 18. Creditors: Amounts falling due within one year

	31 March 2019 £	30 September 2017 £
Bank overdrafts (secured)	1,635,953	-
Bank loans (secured)	2,739,011	-
Trade creditors	6,362,695	684,598
Amounts owed to group and related undertakings	399,894	-
Corporation tax	-	118,612
Other taxation and social security	143,831	155,419
Obligations under finance lease and hire purchase contracts	266,183	42,960
Other creditors	844,693	270,415
Accruals and deferred income	1,122,135	34,391
	<u>13,514,395</u>	<u>1,306,395</u>

#### 19. Creditors: Amounts falling due after more than one year

	31 March 2019 £	30 September 2017 £
Bank loans (secured)	242,279	-
Net obligations under finance leases and hire purchase contracts	97,968	22,594
Amounts owed to group undertakings	645,922	-
Other creditors	2,007,263	2,191,180
	<u>2,993,432</u>	<u>2,213,774</u>

#### Secured loans

Loans advanced under finance lease and hire purchase agreements are secured against the assets to which they relate.

Bank loans are secured with a fixed charge over the assets of the company.

## Blueleaf Limited

### Notes to the Financial Statements For the Period Ended 31 March 2019

#### 20. Loans

Analysis of the maturity of loans is given below:

	31 March 2019 £	30 September 2017 £
<b>Amounts falling due within one year</b>		
Bank loans	2,739,011	-
<b>Amounts falling due 1-2 years</b>		
Bank loans	148,067	-
<b>Amounts falling due 2-5 years</b>		
Bank loans	94,212	-
	<u>2,981,290</u>	<u>-</u>

The bank borrowings are denominated in Sterling, secured with a fixed charge over the assets of the company.

At the balance sheet date the company had bank loans outstanding repayable monthly plus interest of between 1.75% above Bank of England Base Rate and 3.03% per annum.

#### 21. Hire purchase and finance leases

Minimum lease payments under hire purchase and finance leases fall due as follows:

	31 March 2019 £	30 September 2017 £
Within one year	266,183	42,960
Between 1-5 years	97,968	22,594
	<u>364,151</u>	<u>65,554</u>

## Blueleaf Limited

### Notes to the Financial Statements For the Period Ended 31 March 2019

#### 22. Deferred taxation

	2019 £
At beginning of period	(25,876)
Charged to profit or loss	(83,984)
<b>At end of period</b>	<b>(109,860)</b>

The provision for deferred taxation is made up as follows:

	31 March 2019 £	30 September 2017 £
Accelerated capital allowances	(109,860)	(25,876)

#### 23. Share capital

	31 March 2019 £	30 September 2017 £
<b>Allotted, called up and fully paid</b>		
225 (2017 - 225) Ordinary A shares of £1.00 each	225	225
225 (2017 - 225) Ordinary B shares of £1.00 each	225	225
100 (2017 - 100) Ordinary C shares of £1.00 each	100	100
225 (2017 - 225) Ordinary D shares of £1.00 each	225	225
225 (2017 - 225) Ordinary E shares of £1.00 each	225	225
10 (2017 - 10) Ordinary F shares of £1.00 each	10	10
10 (2017 - 10) Ordinary G shares of £1.00 each	10	10
10 (2017 - 10) Ordinary H shares of £1.00 each	10	10
10 (2017 - 10) Ordinary I shares of £1.00 each	10	10
10 (2017 - 10) Ordinary J shares of £1.00 each	10	10
	<b>1,050</b>	<b>1,050</b>

#### 24. Reserves

##### Other reserves

Other reserves represents a capital contribution.

##### Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the company.

## Blueleaf Limited

### Notes to the Financial Statements For the Period Ended 31 March 2019

#### 25. Business combinations

The company entered into a business combination in the period.

On 30 November 2018, the company acquired the trade and assets of the business known as Oiiocare for a consideration of £1,534,196.

The principal activity of the business is the supply of medical and care equipment and furniture.

#### Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustment £	Fair value £
Stocks	221,304	-	221,304
<b>Total identifiable net assets</b>	<b>221,304</b>	<b>-</b>	<b>221,304</b>
Goodwill			1,312,892
<b>Total purchase consideration</b>			<b>1,534,196</b>
<b>Consideration</b>			
			£
Cash			351,036
Deferred consideration			1,183,160
<b>Total purchase consideration</b>			<b>1,534,196</b>

#### 26. Contingent liabilities

A guarantee has been given in respect of the bank borrowings of a partnership under common control of the directors company. At the period end the potential exposure in respect of this guarantee was £173,318 (2017: £530,872). The directors consider the possibility of the company having to make payments under the terms of the guarantee to be remote, and therefore no provision is required.

#### 27. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £75,089 (2017: £3,568).



**Notes to the Financial Statements  
For the Period Ended 31 March 2019**

**28. Related party transactions**

Included within other creditors within one year and other creditors due after more than one year are amounts of £246,665 (2017: £192,000) and £1,249,549 (2017: £2,191,180) owed to certain directors of the company and their close family members. These loans are unsecured and interest free.

During the period, and included in wages and salaries in note 7, are salaries of £152,963 paid to close family members of the owners of Global Consortium Limited, the company's parent company.

Clinicare Partnership

(Entity under joint control)

Clinicare Partnership charged rent of £387,000 (2017: £130,500) to the company during the period. The company continued to provide a loan to Clinicare Partnership during the period. At the balance sheet date the amount due from Clinicare Partnership was £293,569 (2017: £315,537).

The company has taken advantage of the exemption in Section 33 of FRS 102 'Related Party Disclosures' from disclosing transactions with other wholly owned members of the group.

**29. Controlling party**

The company's immediate parent is Global Consortium Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is Global Consortium Limited. These financial statements are available upon request from the registered office at Charwood House, Oakhurst Business Park, Southwater, West Sussex, RH13 9RT.

There is no ultimate controlling party.