

Registered number: 07872692

## Blueleaf Limited

Annual Report and Financial Statements

For the Period Ended 31 December 2019

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## **Blueleaf Limited**

### **Company Information**

#### **Directors**

C A Campbell Esq  
N Campbell Esq  
J M Andrews Esq  
S Andrews Esq

#### **Registered number**

07872692

#### **Registered office**

Charwood House  
Oakhurst Business Park  
Southwater  
West Sussex  
RH13 9RT

#### **Independent auditors**

Kreston Reeves LLP  
Chartered Accountants & Statutory Auditor  
Springfield House  
Springfield Road  
Horsham  
West Sussex  
RH12 2RG

#### **Bankers**

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 December 2019**

#### **Introduction**

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

#### **Business review**

Following a challenging merger and ERP implementation over the 18m to 31st March 2019, the 9m period to 31st December 2019 showed accelerating improvement in operating efficiency with the new system and workflows in place. Whilst cashflow was still under careful management through to end September, the combination of successful cash management and planning for cost reduction during the latter part of that period set the company up for a greatly improved performance through the last quarter of 2019 and through into the early part of pre-COVID 2020.

Profitability at a net profit level returned during and through this period and Blueleaf can look forward to a positive outlook and a return to a focus on continuing to restore both balance sheet strength and bottom-line profitability on a regular monthly basis. Key metrics around debtor and creditor days were also managed down to acceptable levels, materially improving liquidity and cashflow outlook with no material effect on profit and loss outcomes.

Notwithstanding the challenges of 2019 and before, throughout, Blueleaf has worked hard to maintain customers' support, trust and confidence with our continued focus on service and quality of product continues to underpin financial and business confidence. The improved performance and outlook achieved from the beginning of Q4 2019 was testimony to the hard work put in by Blueleaf staff over this period.

Business support and talent at both Board and operational level continue to be deployed to assist in efficiency programmes throughout the company's workflows and processes and the Board looks forward with confidence to the next stage in Blueleaf's development.

#### **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 again materially distracted by the Brexit process, with Brexit stock planning continuing to cause some volatility in supply chains and procurement planning. However, underlying trends and outlook for the Care supply industry remained encouraging as the company headed into 2020.

##### 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**

Losses before tax of £722,920 were recorded for the 9-month period to 31st December 2019, which includes on-going costs associated with the changes in the operational cost base through the early part of 2019.

Management consider the following to be the Financial key performance indicators:

**Blueleaf Limited**

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

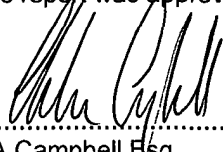
	9 months ended 31 December 2019 £	18 months ended 31 March 2019 £
Turnover	28,614,700	38,367,753
Gross Profit	7,058,416	9,269,428
(Loss)/ Earnings before interest and tax	(614,552)	464,257

**Future developments**

The directors believe the company will continue to trade successfully in the foreseeable future. Since the period end the company has seen significant sales growth and as a result of this a return to profitability.

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.

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

  
.....  
C A Campbell Esq  
Director

Date: 12/11/20

## **Blueleaf Limited**

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

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

The company has changed its balance sheet date to 31 December, therefore, the results for the current period reflect 9 months' activity and the comparative results represent 18 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  
N Campbell Esq  
J M Andrews Esq  
S Andrews Esq

#### **Results and dividends**

The loss for the period, after taxation, amounted to £822,855 (31 March 2019 - profit £401,286).

During the period interim dividends were paid amounting to £Nil (31 March 2019: £100,163). The directors do not recommend the payment of a final dividend (31 March 2019: £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 £145,105 (31 March 2019: £183,518).

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

Since the period 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.

**Directors' Report (continued)  
For the Period Ended 31 December 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 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 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: 12/11/20

## **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 December 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 December 2019 and of its loss 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 4, 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 judgement 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 on 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.

**Blueleaf Limited**

**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.

*Kreston Reeves LLP*

Graham Hunt BA FCA (Senior Statutory Auditor)

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

Chartered Accountants  
Statutory Auditor

Horsham

Date: *20 November 2020*

# Blueleaf Limited

## Statement of Comprehensive Income For the Period Ended 31 December 2019

		9 months ended 31 December 2019 £	18 months ended 31 March 2019 £
	Note		
Turnover	4	28,614,700	38,367,753
Cost of sales		(21,556,284)	(29,098,325)
<b>Gross profit</b>		<b>7,058,416</b>	<b>9,269,428</b>
Administrative expenses		(7,678,371)	(11,494,422)
Other operating income		5,403	3,577
<b>Operating loss</b>	5	<b>(614,552)</b>	<b>(2,221,417)</b>
Restructuring costs		-	(543,993)
Group entity debt write off		-	3,229,667
Interest receivable and similar income	9	170	1,767
Interest payable and expenses	10	(108,538)	(175,471)
<b>(Loss)/profit before tax</b>		<b>(722,920)</b>	<b>290,553</b>
Tax on (loss)/profit	11	(99,935)	110,733
<b>(Loss)/profit for the financial period</b>		<b>(822,855)</b>	<b>401,286</b>

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

The notes on pages 12 to 29 form part of these financial statements.

**Blueleaf Limited**  
**Registered number: 07872692**

**Balance Sheet**  
**As at 31 December 2019**

	Note	31 December 2019 £	31 March 2019 £
<b>Fixed assets</b>			
Intangible assets	13	1,927,891	2,332,616
Tangible assets	14	1,528,036	1,714,979
		<u>3,455,927</u>	<u>4,047,595</u>
<b>Current assets</b>			
Stocks	15	3,680,878	3,853,754
Debtors: amounts falling due within one year	16	9,272,558	11,774,266
Cash at bank and in hand	17	137,433	-
		<u>13,090,869</u>	<u>15,628,020</u>
Creditors: amounts falling due within one year	18	(13,552,862)	(14,763,944)
<b>Net current (liabilities)/assets</b>		<u>(461,993)</u>	<u>864,076</u>
<b>Total assets less current liabilities</b>		<u>2,993,934</u>	<u>4,911,671</u>
Creditors: amounts falling due after more than one year	19	(693,097)	(1,743,883)
<b>Provisions for liabilities</b>			
Deferred tax	22	(65,764)	(109,860)
<b>Net assets</b>		<u><u>2,235,073</u></u>	<u><u>3,057,928</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	2,234,023	2,757,387
		<u><u>2,235,073</u></u>	<u><u>3,057,928</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: 12/11/20

The notes on pages 12 to 29 form part of these financial statements.

**Blueleaf Limited**

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

	<b>Called up share capital</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<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>	<b>-</b>	<b>413,411</b>	<b>-</b>	<b>413,411</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>413,411</b>	<b>401,286</b>	<b>814,697</b>
Dividends: Equity capital	-	-	(100,163)	(100,163)
Transfer to/from profit and loss account	-	(113,920)	113,920	-
<b>At 1 April 2019</b>	<b>1,050</b>	<b>299,491</b>	<b>2,757,387</b>	<b>3,057,928</b>
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(822,855)	(822,855)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(822,855)</b>	<b>(822,855)</b>
Transfer to/from profit and loss account	-	(299,491)	299,491	-
<b>At 31 December 2019</b>	<b>1,050</b>	<b>-</b>	<b>2,234,023</b>	<b>2,235,073</b>

The notes on pages 12 to 29 form part of these financial statements.

**Notes to the Financial Statements  
For the Period Ended 31 December 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 places of business are 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The financial statements are presented in GBP 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 December 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 December 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**

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 December 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.

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

**2. Accounting policies (continued)**

**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 and loans to related parties.

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.

**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.

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

**2. Accounting policies (continued)**

**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.

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

**2. Accounting policies (continued)**

**2.19 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.

**2.20 Reclassification of comparative creditors**

The comparatives include a reclassification of a creditor balance. The balance of £1,496,214 was previously included as an Other creditor with £246,665 recorded as falling due within one year and £1,248,549 recorded as falling due after more than one year. Both amounts have since been reclassified to Amounts owed to group and related undertakings and are both recorded as falling due within one year. As a result of these adjustments net current assets have decreased by £1,249,549 but net assets, reserves, and the profit for the period remains unchanged.

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

**3. Judgements 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 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 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 £1,927,891 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.

**4. Turnover**

	<b>9 months ended 31 December 2019 £</b>	<b>18 months ended 31 March 2019 £</b>
Sale of goods	<b>26,488,631</b>	35,796,945
Provision of services	<b>2,126,069</b>	2,570,808
	<b><u>28,614,700</u></b>	<u>38,367,753</u>

Analysis of turnover by country of destination:

	<b>9 months ended 31 December 2019 £</b>	<b>18 months ended 31 March 2019 £</b>
United Kingdom	<b>28,360,591</b>	38,229,877
Rest of Europe	<b>73,437</b>	8,526
Rest of the world	<b>180,672</b>	129,350
	<b><u>28,614,700</u></b>	<u>38,367,753</u>

**Blueleaf Limited**

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

**5. Operating (loss)/profit**

The operating (loss)/profit is stated after charging/(crediting):

	<b>9 months ended 31 December 2019 £</b>	<b>18 months ended 31 March 2019 £</b>
Depreciation of tangible fixed assets	<b>326,217</b>	480,046
Amortisation of intangible assets, including goodwill	<b>404,725</b>	434,342
Exchange differences	<b>57,899</b>	(52,789)
Loss on disposal of fixed assets	<b>6,990</b>	111,743
	<b><u><u>          </u></u></b>	<b><u><u>          </u></u></b>

**6. Auditors' remuneration**

	<b>9 months ended 31 December 2019 £</b>	<b>18 months ended 31 March 2019 £</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<b>28,000</b>	40,000
	<b><u><u>          </u></u></b>	<b><u><u>          </u></u></b>
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
All other services	<b>4,000</b>	25,000
	<b><u><u>          </u></u></b>	<b><u><u>          </u></u></b>

## Blueleaf Limited

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

#### 7. Employees

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

	9 months ended 31 December 2019 £	18 months ended 31 March 2019 £
Wages and salaries	4,309,920	4,551,015
Social security costs	349,275	319,237
Cost of defined contribution scheme	72,391	75,089
	<u>4,731,586</u>	<u>4,945,341</u>

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

	9 months ended 31 December 2019 No.	18 months ended 31 March 2019 No.
Sales	26	19
Operations	110	53
Administration, support and management	48	23
	<u>184</u>	<u>95</u>

#### 8. Directors' remuneration

	9 months ended 31 December 2019 £	18 months ended 31 March 2019 £
Directors' emoluments	26,460	59,502
	<u>26,460</u>	<u>59,502</u>

**Blueleaf Limited**

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

**9. Interest receivable**

	<b>9 months ended 31 December 2019 £</b>	<b>18 months ended 31 March 2019 £</b>
Other interest receivable	<b>170</b>	<b>1,767</b>

**10. Interest payable and similar expenses**

	<b>9 months ended 31 December 2019 £</b>	<b>18 months ended 31 March 2019 £</b>
Bank interest payable	<b>98,168</b>	47,100
Other interest payable	-	113,920
Finance leases and hire purchase contracts	<b>10,370</b>	14,451
	<b>108,538</b>	<b>175,471</b>

**11. Taxation**

	<b>9 months ended 31 December 2019 £</b>	<b>18 months ended 31 March 2019 £</b>
<b>Corporation tax</b>		
Current tax on profits for the year	<b>144,031</b>	(194,717)
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>(44,096)</b>	83,984
<b>Taxation on profit on ordinary activities</b>	<b>99,935</b>	<b>(110,733)</b>



# Blueleaf Limited

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

### 11. Taxation (continued)

#### Factors affecting tax charge for the period

The tax assessed for the period is higher than (31 March 2019 - lower than) the standard rate of corporation tax in the UK of 19% (31 March 2019 - 19%). The differences are explained below:

	9 months ended 31 December 2019 £	18 months ended 31 March 2019 £
(Loss)/profit on ordinary activities before tax	<u>(722,920)</u>	<u>290,553</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (31 March 2019 - 19%)	(137,355)	55,205
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	76,898	82,525
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	163	108,734
Changes in tax rates leading to a decrease in the tax charge	-	(5,847)
Deferred tax asset not recognised	16,198	-
Other items not taxable	-	(613,972)
Group relief	144,031	262,622
<b>Total tax (credit)/charge for the period</b>	<u><b>99,935</b></u>	<u><b>(110,733)</b></u>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

### 12. Dividends

	9 months ended 31 December 2019 £	18 months ended 31 March 2019 £
Interim dividends paid	<u>-</u>	<u>100,163</u>

**Blueleaf Limited**

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

**13. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 April 2019	<u>3,493,997</u>
At 31 December 2019	<u>3,493,997</u>
<b>Amortisation</b>	
At 1 April 2019	1,161,381
Charge for the period	<u>404,725</u>
At 31 December 2019	<u>1,566,106</u>
<b>Net book value</b>	
At 31 December 2019	<u>1,927,891</u>
At 31 March 2019	<u>2,332,616</u>

Blueleaf Limited

Notes to the Financial Statements  
For the Period Ended 31 December 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 April 2019	818,452	1,144,573	874,081	671,365	55,765	443,872	4,008,108
Additions	-	122,590	6,174	32,301	-	84,574	245,639
Disposals	(28,799)	(295,789)	-	-	-	-	(324,588)
At 31 December 2019	<u>789,653</u>	<u>971,374</u>	<u>880,255</u>	<u>703,666</u>	<u>55,765</u>	<u>528,446</u>	<u>3,929,159</u>
<b>Depreciation</b>							
At 1 April 2019	548,429	611,031	608,041	441,260	29,402	54,966	2,293,129
Charge for the period	55,294	112,466	34,320	49,981	-	74,156	326,217
Disposals	(26,052)	(192,171)	-	-	-	-	(218,223)
At 31 December 2019	<u>577,671</u>	<u>531,326</u>	<u>642,361</u>	<u>491,241</u>	<u>29,402</u>	<u>129,122</u>	<u>2,401,123</u>
<b>Net book value</b>							
At 31 December 2019	<u>211,982</u>	<u>440,048</u>	<u>237,894</u>	<u>212,425</u>	<u>26,363</u>	<u>399,324</u>	<u>1,528,036</u>
At 31 March 2019	<u>270,023</u>	<u>533,542</u>	<u>266,040</u>	<u>230,105</u>	<u>26,363</u>	<u>388,906</u>	<u>1,714,979</u>

**Blueleaf Limited**

**Notes to the Financial Statements  
For the Period Ended 31 December 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:

	<b>31 December 2019 £</b>	<b>31 March 2019 £</b>
Motor vehicles	<b>329,538</b>	<b>533,542</b>

The depreciation on motor vehicles held under finance leases or hire purchase contracts, included above, was £81,491 for the period (31 March 2019 - £129,907).

**15. Stocks**

	<b>31 December 2019 £</b>	<b>31 March 2019 £</b>
Finished goods and goods for resale	<b>3,680,878</b>	<b>3,853,754</b>

**16. Debtors**

	<b>31 December 2019 £</b>	<b>31 March 2019 £</b>
Trade debtors	<b>7,302,368</b>	<b>8,419,339</b>
Amounts owed by group undertakings	<b>1,248,841</b>	<b>2,204,655</b>
Other debtors	<b>449,903</b>	<b>816,511</b>
Called up share capital not paid	<b>-</b>	<b>50</b>
Prepayments and accrued income	<b>271,446</b>	<b>333,711</b>
	<b>9,272,558</b>	<b>11,774,266</b>

## Blueleaf Limited

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

#### 17. Cash and cash equivalents

	31 December 2019 £	31 March 2019 £
Cash at bank and in hand	137,433	-
Bank overdrafts	(571,369)	(1,635,953)
	<u>(433,936)</u>	<u>(1,635,953)</u>

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

	31 December 2019 £	31 March 2019 £
Bank overdrafts (secured)	571,369	1,635,953
Bank loans (secured)	5,022,674	2,739,011
Trade creditors	5,471,002	6,362,695
Amounts owed to group and related undertakings	384,953	1,896,108
Other taxation and social security	405,881	143,831
Obligations under finance lease and hire purchase contracts	145,293	266,183
Other creditors	559,915	598,028
Accruals and deferred income	991,775	1,122,135
	<u>13,552,862</u>	<u>14,763,944</u>

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

	31 December 2019 £	31 March 2019 £
Bank loans (secured)	131,950	242,279
Net obligations under finance leases and hire purchase contracts	40,219	97,968
Amounts owed to group undertakings	-	645,922
Other creditors	520,928	757,714
	<u>693,097</u>	<u>1,743,883</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 and floating charge over the assets of the company and its parent company Global Consortium Limited.

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

**20. Loans**

Analysis of the maturity of loans is given below:

	<b>31 December 2019 £</b>	<b>31 March 2019 £</b>
<b>Amounts falling due within one year</b>		
Bank loans	<b>5,022,674</b>	2,739,011
<b>Amounts falling due 1-2 years</b>		
Bank loans	<b>131,950</b>	148,067
<b>Amounts falling due 2-5 years</b>		
Bank loans	-	94,212
	<b><u>5,154,624</u></b>	<b><u>2,981,290</u></b>

The bank borrowings are denominated in GBP, secured with a fixed and floating charge over the assets of the company and its parent company Global Consortium Limited.

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:

	<b>31 December 2019 £</b>	<b>31 March 2019 £</b>
Within one year	<b>145,293</b>	266,183
Between 1-5 years	<b>40,219</b>	97,968
	<b><u>185,512</u></b>	<b><u>364,151</u></b>

# Blueleaf Limited

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

### 22. Deferred taxation

	2019 £
At beginning of period	(109,860)
Charged to profit or loss	44,096
<b>At end of period</b>	<b>(65,764)</b>

The provision for deferred taxation is made up as follows:

	9 months ended 31 December 2019 £	18 months ended 31 March 2019 £
Accelerated capital allowances	(65,764)	(109,860)

### 23. Share capital

	31 December 2019 £	31 March 2019 £
<b>Allotted, called up and fully paid</b>		
225 (31 March 2019 - 225) Ordinary A shares of £1.00 each	225	225
225 (31 March 2019 - 225) Ordinary B shares of £1.00 each	225	225
100 (31 March 2019 - 100) Ordinary C shares of £1.00 each	100	100
225 (31 March 2019 - 225) Ordinary D shares of £1.00 each	225	225
225 (31 March 2019 - 225) Ordinary E shares of £1.00 each	225	225
10 (31 March 2019 - 10) Ordinary F shares of £1.00 each	10	10
10 (31 March 2019 - 10) Ordinary G shares of £1.00 each	10	10
10 (31 March 2019 - 10) Ordinary H shares of £1.00 each	10	10
10 (31 March 2019 - 10) Ordinary I shares of £1.00 each	10	10
10 (31 March 2019 - 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 which was released in the period.

#### Profit and loss account

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

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

**25. 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 £nil (31 March 2019: £173,318). The directors considered the possibility of the company having to make payments under the terms of the guarantee to be remote, and therefore no provision was required.

**26. 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 £72,391 (31 March 2019: £75,089).

**27. Related party transactions**

During the period, and included in wages and salaries in note 7, are gross salaries of £96,867 (31 March 2019: £152,963) paid to close family members of the directors of the company. The company has made payments to shareholders, and their close family members, of Global Consortium Limited (the immediate parent company) in both periods, however due to the size of shareholdings these have not been deemed to be related party transactions.

Clinicare Partnership

(Entity under joint control)

Clinicare Partnership charged rent of £193,500 (31 March 2019: £387,000) 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 £400,522 (31 March 2019: £293,569).

Stadir Limited

(Group company not wholly owned by parent)

Stadir Limited charged management fee income of £784,088 to the company during the period. At the balance sheet date there was no balance due to or from Stadir Limited.

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.

**28. Post balance sheet events**

Since the period 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.

**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.