

**Registered number: 07872692**

**Blueleaf Limited**

**Annual Report and Financial Statements**

**For the Year Ended 31 December 2022**



**Blueleaf Limited**

**Company Information**

<b>Directors</b>	C A Campbell Esq N Campbell Esq J M Andrews Esq S Andrews Esq (resigned 1 July 2022) R A Critchley Esq (appointed 15 April 2022)
<b>Registered number</b>	07872692
<b>Registered office</b>	Charwood House Oakhurst Business Park Southwater West Sussex RH13 9RT
<b>Independent auditor</b>	Kreston Reeves LLP Statutory Auditor & Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG
<b>Bankers</b>	HSBC UK Bank PLC 9 The Boulevard Crawley West Sussex RH10 1UT

## **Blueleaf Limited**

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## **Blueleaf Limited**

### **Strategic Report For the Year Ended 31 December 2022**

#### **Introduction**

The directors present their strategic report accompanying the financial statements for the year ended 31 December 2022.

#### **Business review**

2022 has been a challenging year for the business, as can be seen in the £1.2m loss for the year, with the high cost of inflation and supply issues affecting the UK and global markets forcing the business to look at how it needed to change.

The directors recognised this late in 2021 and started a process of change, which initially saw a new management team brought into the business, with a new CEO, Sales and Marketing Director and Operations Director all being brought in during 2022.

This has enabled the business to look at how it operates and what it needed to do to address the challenges it faced. A process of change was therefore started in 2022 to ensure the business was in the best possible position by the end of the year to enable profitable growth moving into 2023 and beyond.

As a result, some of the key changes the business has made are:

- Altering how it delivers to its clients to a dedicated delivery day once a week as standard. This has enabled Blueleaf to reduce the size of its fleet in half – which not only helps reduce its carbon footprint but has also made the business more efficient.
- Closing its warehouse in Kent and moving into a brand new and larger warehouse near Wakefield, providing far better coverage across the UK and room for growth.
- Improving its understanding of its cost base and margins which has benefitted both clients and the business. As cost reductions have been secured these have helped offset price increases elsewhere, but the improved understanding of the costs base has helped drive cost efficiencies and how it prices the products and services it provides.
- Changing its overhead structure which has unfortunately seen several redundancies throughout the year. However, these changes have enabled the business to bring the necessary skills and focus required into the day to day running of the business that are already driving improvements.
- Investing in its people, giving them the skills needed to support the business fully in their roles and to give them the opportunities for development and progression that they are seeking.
- Reviewing the values by which the business operates, to fully embed these into every aspect of the business.
- Developing a growing pipeline of new business, aided by a clearer offering for clients in how Blueleaf can help support them deliver the outcomes they are seeking.

2023 has already seen a significant improvement in trading and the business continues to focus on its growth and improving the support it can provide to clients, both existing and new.

As part of these growth plans, in July 2023 Blueleaf Limited was acquired by New Global Consortium Limited, a new holding company established to acquire Blueleaf Limited.

**Blueleaf Limited**

**Strategic Report (continued)  
For the Year Ended 31 December 2022**

**Principal risks and uncertainties**

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

Competitive and market risk

With the demographic trends showing an expected 43% growth in the population of those over the age of 65 by 2043, it is expected that the UK care market will see similar levels of growth over this timeframe – making it an attractive market.

However, this also makes it a very competitive market, and whilst cost inflation pressures are starting to ease, there is continued cost pressure from customers.

Blueleaf is focused on addressing these pressures through supporting its clients deliver better value for money in the products they select and purchase and how to best use these, as well as continually seeking the best prices for its products.

Credit risk

We have continued to work closely with our customers and suppliers to ensure that bad debts have been kept to a minimum and that suppliers were paid promptly.

We are pleased to say that we've seen no significant deterioration in our bad debt experience and have also not seen our own credit rating fall.

**Financial key performance indicators**

A loss before tax of £1,168,143 was recorded for the year to 31 December 2022.

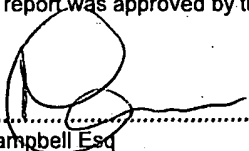
Management consider the following to be the key performance indicators:

	2022 £	2021 £
Turnover	36,659,830	38,844,769
Gross profit	7,613,264	8,924,716
Operating loss	(1,153,833)	(269,292)

**Future Developments**

The directors believe the company will trade successfully for the foreseeable future and is actively seeking to grow its revenues as well as ensure the profitable trading in 2023 continues and is developed further.

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

  
.....  
N Campbell Esq  
Director

Date: 15 August 2023

## **Blueleaf Limited**

### **Directors' Report For the Year Ended 31 December 2022**

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

#### **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.

#### **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.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £1,027,253 (2021 - loss £146,891).

During the year a dividend of £1,050,000 was paid (2021: £nil). The directors do not recommend the payment of a final dividend (2021: £nil).

#### **Directors**

The directors who served during the year were:

C A Campbell Esq  
N Campbell Esq  
J M Andrews Esq  
S Andrews Esq (resigned 1 July 2022)  
R A Critchley Esq (appointed 15 April 2022)

**Blueleaf Limited**

**Directors' Report (continued)  
For the Year Ended 31 December 2022**

**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 year, the company made charitable contributions to national and regional charities of £89,039 (2021: £285,144).

**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 been done so in respect of review of business, principal risks and uncertainties and future developments.

**Disclosure of information to auditor**

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 auditor is 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 auditor is aware of that information.


**Post balance sheet events**

Details of post balance sheet events has been provided within Note 26.

**Auditor**

The auditor, 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.

  
.....  
N Campbell Esq  
Director  
Date: 15 August 2023

## **Blueleaf Limited**

### **Independent Auditor's Report to the Members of Blueleaf Limited**

#### **Opinion**

We have audited the financial statements of Blueleaf Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, 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 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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**

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

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

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

#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **Blueleaf Limited**

### **Independent Auditor's Report to the Members of Blueleaf Limited (continued)**

#### **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 year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the 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 set out on page 3, 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.

## **Blueleaf Limited**

### **Independent Auditor's Report to the Members of Blueleaf Limited (continued)**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### *Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the company and the industry in which it operates, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue or expenditure and management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of goodwill. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management have in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

## **Blueleaf Limited**

### **Independent Auditor's Report to the Members of Blueleaf Limited (continued)**

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 Auditor's 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 Auditor's 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.

#### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Kreston Reeves LLP*

Graham Hunt BA FCA (Senior Statutory Auditor)  
for and on behalf of  
**Kreston Reeves LLP**  
Statutory Auditor  
Chartered Accountants  
Horsham

17 August 2023

**Blueleaf Limited**

**Statement of Comprehensive Income  
For the Year Ended 31 December 2022**

	Note	2022 £	2021 £
Turnover	4	36,659,830	38,844,769
Cost of sales		<u>(29,046,566)</u>	<u>(29,920,053)</u>
<b>Gross profit</b>		<b>7,613,264</b>	<b>8,924,716</b>
Administrative expenses		<u>(8,878,111)</u>	<u>(9,206,233)</u>
Other operating income		<u>111,014</u>	<u>12,225</u>
<b>Operating loss</b>	5	<b>(1,153,833)</b>	<b>(269,292)</b>
Interest payable and similar expenses	9	<u>(14,310)</u>	<u>(60,344)</u>
<b>Loss before tax</b>		<b>(1,168,143)</b>	<b>(329,636)</b>
Tax on loss	10	<u>140,890</u>	<u>182,745</u>
<b>Loss for the financial year</b>		<b><u>(1,027,253)</u></b>	<b><u>(146,891)</u></b>

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 13 to 29 form part of these financial statements.

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

**Balance Sheet**  
**As at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	12	308,978	848,625
Tangible assets	13	1,105,388	588,277
		<u>1,414,366</u>	<u>1,436,902</u>
<b>Current assets</b>			
Stocks	14	4,069,674	4,092,785
Debtors: amounts falling due within one year	15	7,844,202	6,847,611
Cash at bank and in hand	16	630,644	3,546,452
		<u>12,544,520</u>	<u>14,486,848</u>
Creditors: amounts falling due within one year	17	(6,457,885)	(6,513,998)
<b>Net current assets</b>		<u>6,086,635</u>	<u>7,972,850</u>
<b>Total assets less current liabilities</b>		<u>7,501,001</u>	<u>9,409,752</u>
Creditors: amounts falling due after more than one year	18	(168,502)	-
<b>Net assets</b>		<u><u>7,332,499</u></u>	<u><u>9,409,752</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	1,050	1,050
Profit and loss account		7,331,449	9,408,702
		<u><u>7,332,499</u></u>	<u><u>9,409,752</u></u>

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



N Campbell Esq

Director

Date: 15 August 2023

The notes on pages 13 to 29 form part of these financial statements.

**Blueleaf Limited****Statement of Changes in Equity  
For the Year Ended 31 December 2022**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2021</b>	<b>1,050</b>	<b>9,555,593</b>	<b>9,556,643</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(146,891)	(146,891)
<b>At 1 January 2022</b>	<b>1,050</b>	<b>9,408,702</b>	<b>9,409,752</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(1,027,253)	(1,027,253)
<b>Contributions by and distributions to owners</b>			
Dividends: Equity capital	-	(1,050,000)	(1,050,000)
<b>At 31 December 2022</b>	<b>1,050</b>	<b>7,331,449</b>	<b>7,332,499</b>

The notes on pages 13 to 29 form part of these financial statements.

**Blueleaf Limited**

**Statement of Cash Flows  
For the Year Ended 31 December 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(1,027,253)	(146,891)
<b>Adjustments for:</b>		
Amortisation of intangible assets	539,647	539,633
Depreciation of tangible assets	365,658	400,456
Loss on disposal of tangible assets	(30,965)	386,770
Government grants	-	(10,000)
Interest payable	14,310	60,344
Taxation charge	(140,890)	(182,745)
Decrease in stocks	23,111	1,709,507
(Increase)/decrease in debtors	(1,447,090)	2,870,329
Decrease in amounts owed by group companies	591,313	9,291,575
(Decrease) in creditors	(779,913)	(12,379,555)
(Decrease) in amounts owed to group companies	(2,003,143)	(514,738)
Corporation tax (paid)	(81,674)	(1,274,849)
<b>Net cash generated from operating activities</b>	<b>(3,976,889)</b>	<b>749,836</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(616,197)	(350,418)
Sale of tangible fixed assets	134,619	111,385
Government grants received	-	10,000
HP interest paid	(5,564)	(1,595)
<b>Net cash from investing activities</b>	<b>(487,142)</b>	<b>(230,628)</b>
<b>Cash flows from financing activities</b>		
New secured loans	1,639,944	-
Repayment of loans	-	(4,031,694)
Repayment of/new finance leases	(82,975)	(299,335)
Interest paid	(8,746)	(58,749)
<b>Net cash used in financing activities</b>	<b>1,548,223</b>	<b>(4,389,778)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(2,915,808)</b>	<b>(3,870,570)</b>
Cash and cash equivalents at beginning of year	3,546,452	7,417,022
<b>Cash and cash equivalents at the end of year</b>	<b>630,644</b>	<b>3,546,452</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	630,644	3,546,452
	<b>630,644</b>	<b>3,546,452</b>

The notes on pages 13 to 29 form part of these financial statements.

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

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

Blueleaf Limited is a private company limited by share capital, incorporated in England and Wales (Registered number: 07872692).

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 Unit 11, Pioneer Way, Castleford, WF10 5TG.

#### **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 judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on the going concern basis as the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.



## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.3 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 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.

##### **2.4 Government grants**

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

##### **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 lives of between 4 and 10 years.

##### **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.

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.6 Tangible fixed assets (continued)**

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	-	20% straight line
Office equipment	-	33% straight line
Website	-	33% straight line
Laundry pumps	-	33% 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 profit or loss.

##### **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 the Statement of Comprehensive Income.

##### **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.

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **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 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.

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **2: Accounting policies (continued)**

##### **2.15 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.

##### **2.16 Leased assets: the Company as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **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 year in which they are incurred.

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **2. Accounting policies (continued)**

##### **2.19 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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**

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The following judgments have had the most significant impact on amounts recognised in the financial statements:

##### **Goodwill**

The company has recognised goodwill arising from business combinations with a carrying value of £308,978 (2021: £848,625) at the reporting date (see note 12). 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 Year Ended 31 December 2022

#### 4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Sale of goods	35,341,619	36,834,328
Provision of services	1,318,211	2,010,441
	<u>36,659,830</u>	<u>38,844,769</u>

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	36,366,031	38,643,544
Rest of Europe	248,204	88,653
Rest of the world	45,595	112,572
	<u>36,659,830</u>	<u>38,844,769</u>

#### 5. Operating loss

The operating loss is stated after charging:

	2022 £	2021 £
Exchange differences	(22,309)	69,322
Rentals	907,192	734,668
(Profit)/loss on disposal of fixed assets	(30,965)	386,770
Depreciation of tangible fixed assets	365,658	400,456
Amortisation of intangible assets, including goodwill	539,647	539,633

#### 6. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	33,000	30,000

**Blueleaf Limited****Notes to the Financial Statements  
For the Year Ended 31 December 2022****7. Employees**

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

	2022 £	2021 £
Wages and salaries	5,467,248	4,516,254
Social security costs	565,391	428,471
Cost of defined contribution scheme	121,215	82,525
	<u>6,153,854</u>	<u>5,027,250</u>

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

	2022 No.	2021 No.
Sales	32	37
Operations	72	80
Administration, support and management	23	37
	<u>127</u>	<u>154</u>

**8. Directors' remuneration**

	2022 £	2021 £
Directors' emoluments	96,756	22,520
Company contributions to defined contribution pension schemes	495	-
	<u>97,251</u>	<u>22,520</u>

During the year retirement benefits were accruing to 1 director (2021 - NIL) in respect of defined contribution pension schemes.

**9. Interest payable and similar expenses**

	2022 £	2021 £
Bank interest payable	8,746	58,749
Finance leases and hire purchase contracts	5,564	1,595
	<u>14,310</u>	<u>60,344</u>

# Blueleaf Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 10. Taxation

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on (loss)/profit for the year	-	81,752
Adjustments in respect of previous periods	(76)	(210,493)
<b>Total current tax</b>	<b>(76)</b>	<b>(128,741)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(140,814)	(54,004)
<b>Total deferred tax</b>	<b>(140,814)</b>	<b>(54,004)</b>
<b>Taxation on loss on ordinary activities</b>	<b>(140,890)</b>	<b>(182,745)</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	(1,168,143)	(329,636)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(221,947)	(62,631)
	(221,947)	(62,631)
Non-tax deductible amortisation of goodwill and impairment	102,533	252,103
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,710	4
Capital allowances for year in excess of depreciation	(142,996)	(89,903)
Utilisation of tax losses	-	(17,821)
Adjustments to tax charge in respect of prior periods	(76)	(227,343)
Differences arising in respect of deferred tax and change in future tax rates	124,481	(54,004)
Other differences leading to an increase (decrease) in the tax charge	(5,595)	16,850
<b>Total tax charge for the year</b>	<b>(140,890)</b>	<b>(182,745)</b>



**Blueleaf Limited****Notes to the Financial Statements  
For the Year Ended 31 December 2022****10. Taxation (continued)****Factors that may affect future tax charges**

With effect from 1 April 2023 the corporation tax rate will rise to 25% on taxable profits over £250,000. Taxable profits less than £50,000 will be taxed at 19% with a marginal rate applied for profits between these amounts.

**11. Dividends**

	2022 £	2021 £
Dividends paid	<u>1,050,000</u>	<u>-</u>

**12. Intangible assets**

	Goodwill £
<b>Cost</b>	
At 1 January 2022	<u>3,493,997</u>
At 31 December 2022	<u>3,493,997</u>
<b>Amortisation</b>	
At 1 January 2022	2,645,372
Charge for the year on owned assets	<u>539,647</u>
At 31 December 2022	<u>3,185,019</u>
<b>Net book value</b>	
At 31 December 2022	<u>308,978</u>
At 31 December 2021	<u>848,625</u>

Blueleaf Limited

Notes to the Financial Statements  
For the Year Ended 31 December 2022

13. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Office equipment £	Website £	Laundry pumps £	Total £
<b>Cost or valuation</b>						
At 1 January 2022	359,306	1,049,162	377,708	55,765	152,226	1,994,167
Additions	323,277	464,588	16,103	135,248	47,207	986,423
Disposals	(15,003)	(543,161)	-	-	-	(558,164)
At 31 December 2022	667,580	970,589	393,811	191,013	199,433	2,422,426
<b>Depreciation</b>						
At 1 January 2022	332,801	645,068	325,594	55,765	46,662	1,405,890
Charge for the year	36,348	204,827	66,370	-	58,113	365,658
Disposals	(10,023)	(444,487)	-	-	-	(454,510)
At 31 December 2022	359,126	405,408	391,964	55,765	104,775	1,317,038
<b>Net book value</b>						
At 31 December 2022	308,454	565,181	1,847	135,248	94,658	1,105,388
At 31 December 2021	26,505	404,094	52,114	-	105,564	588,277

**Blueleaf Limited****Notes to the Financial Statements  
For the Year Ended 31 December 2022****13. Tangible fixed assets (continued)**

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

	2022 £	2021 £
Motor vehicles	<u>328,642</u>	<u>6,103</u>

The depreciation on motor vehicles held under finance leases or hire purchase contracts, included above, was £82,699 for the period (2021: £3,052).

**14. Stocks**

	2022 £	2021 £
Finished goods and goods for resale	<u>4,069,674</u>	<u>4,092,785</u>

**15. Debtors**

	2022 £	2021 £
Trade debtors	7,127,167	5,235,499
Amounts owed by group undertakings	44,900	636,213
Other debtors	80,352	356,562
Prepayments and accrued income	425,515	593,883
Deferred taxation (note 21)	166,268	25,454
	<u>7,844,202</u>	<u>6,847,611</u>

**16. Cash and cash equivalents**

	2022 £	2021 £
Cash at bank and in hand	630,644	3,546,452
	<u>630,644</u>	<u>3,546,452</u>

# **Blueleaf Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2022**

### **17. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Bank trade loan	1,639,944	-
Trade creditors	3,277,345	2,308,185
Amounts owed to group undertakings	67,559	1,020,700
Corporation tax	-	81,752
Other taxation and social security	569,629	462,078
Obligations under finance lease and hire purchase contracts	126,105	7,356
Other creditors	10,810	562,565
Accruals and deferred income	766,493	2,071,362
	<u>6,457,885</u>	<u>6,513,998</u>

#### **Bank trade loan**

The bank trade loan represents amounts owed on a £2million facility with HSBC UK Bank plc and are secured by a general pledge to the bank, consisting of a fixed and floating charge over the assets and undertaking of the company.

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

	2022 £	2021 £
Net obligations under finance leases and hire purchase contracts	168,502	-
	<u>168,502</u>	<u>-</u>

### **19. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	126,105	7,356
Between 1-5 years	168,502	-
	<u>294,607</u>	<u>7,356</u>

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

**Blueleaf Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**20. Financial instruments**

	2022 £	2021 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>7,883,063</u>	<u>9,774,726</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>5,290,265</u>	<u>3,898,806</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors and amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise bank trade loans, trade creditors, other creditors, obligations under finance lease and hire purchase contracts and amounts owed to group undertakings.

**21. Deferred taxation**

	2022 £
At beginning of year	25,454
Credited to profit or loss	140,814
<b>At end of year</b>	<u><u>166,268</u></u>

The deferred tax asset is made up as follows:

	2022 £	2021 £
Depreciation in excess of capital allowances	(213,415)	25,454
Tax losses carried forward	<u>379,683</u>	<u>-</u>

**22. Share capital**

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
1,050 (2021 - 1,050) Ordinary shares of £1.00 each	<u>1,050</u>	<u>1,050</u>

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **23. 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 £121,215 (2021: £82,525). Contributions totalling £3,942 (2021: £19,209 receivable from) were payable to the fund at the balance sheet date and are included in creditors (2021: debtors).

#### **24. Commitments under operating leases**

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	260,142	-
Later than 1 year and not later than 5 years	1,040,568	-
Later than 5 years	1,607,179	-
	<u>2,907,889</u>	<u>-</u>

## **Blueleaf Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **25. Related party transactions**

During the period, and included in wages and salaries in note 7, are gross salaries of £89,789 (2021: £64,556) paid to close family members of the directors of the company.

##### Global Consortium Limited

(Parent company)

During the year dividends totalling £1,050,000 were payable to the parent company. Rent totalling £562,297 was charged by the parent company. At the year end, the total balance owed to the parent company was £47,234.

##### Stadir Limited

(Group company not wholly owned by parent)

Stadir Limited charged management fees of £20,723 (2021: £1,558,043) and made sales of £3,603 (2021: £nil), of which £nil (2021: £887,500) were accrued at the year end.

##### Frog GRP Ltd

(Group company)

Sales totalling £223,527 were made to Frog GRP Ltd and purchases of £253,542 were made from Frog GRP Ltd during the year. At the year end £nil was owed to/from Frog GRP Ltd.

##### BL Assets Unlimited

(Entity under common control)

During the year a balance of £38,859 due to Blueleaf Limited was written off. At the year end a balance of £nil was owed to/from BL Assets Unlimited.

##### Leymoor Partnership

(Entity under common control)

Leymoor Partnership charged rent of £43,000 in the year. At the year end the amount payable to Leymoor Partnership was £nil.

##### Leymoor Limited

(Entity under common control)

Leymoor Limited charged rent of £86,000 and management fees totalling £106,078 during the year. At the year end the amount payable to Leymoor Limited was £nil.

##### Blueleaf Healthcare Inc

(Group company)

Blueleaf Limited made sales totalling £44,900 to Blueleaf Healthcare Inc in the year. At the year end £44,900 was due from Blueleaf Healthcare Inc.

##### NHG Partnership

(Entity under common control)

No transactions were entered into during the year. A balance of £20,325 was payable to NHG Partnership as at the year end.

The comparative figures are not disclosed for those companies that were part of a wholly owned group preparing consolidated accounts last year as the company took advantage of the exemption available in Section 33 of FRS 102 'Related Party Disclosures'

#### **26. Post balance sheet events.**

Since 31 December 2022, Blueleaf Limited has been de-merged from the group under its parent of Global Consortium Limited. As part of this process Blueleaf Limited issued a dividend of £1,100,000 to Global Consortium Limited, and ownership of Blueleaf Limited was then transferred entirely to the newly established New Global Consortium Limited.

## Blueleaf Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 27. Controlling party

At the year end the company's immediate parent was Global Consortium Limited, incorporated in England and Wales. As disclosed in Note 26, subsequent to the year end the immediate parent became New Global Consortium Limited, incorporated in England and Wales.

There is no ultimate controlling party.

#### 28. Analysis of net debt

	At 1 January 2022 £	Cash flows £	New finance leases £	At 31 December 2022 £
Cash at bank and in hand	3,546,452	(2,915,808)	-	630,644
Bank trade loan	-	(1,639,944)	-	(1,639,944)
Debt due within 1 year	-	-	-	-
Finance leases	(7,356)	82,975	(370,226)	(294,607)
	<u>3,539,096</u>	<u>(4,472,777)</u>	<u>(370,226)</u>	<u>(1,303,907)</u>