

Aquilant Northern Ireland Limited

Directors' report and financial statements

Year ended 30 December 2020

Registered number: NI006959



Aquilant Northern Ireland Limited

Directors' report and financial statements

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Aquilant Northern Ireland Limited

Directors and other information

Directors

R Dew (resigned 17 September 2020)
D Frederick
T Rodgers

Company secretary

T Rodgers

Registered office

Maryland Industrial Estate
Ballygowan Road
Castlereagh
Belfast
BT23 6BL
United Kingdom

Independent auditor

KPMG
Chartered Accountants
85 South Mall
Cork
Ireland

Bankers

Ulster Bank Limited
11/16 College Square East
Belfast
BT1 5UB
United Kingdom

Solicitors

Simon Barrett
BWH Legal
Ashbrook House
Westbrook Street
Blewbury
Oxfordshire
OX11 9QA
United Kingdom

Eversheds Sutherland
1 Wood Street
London
EC2V 7WS
United Kingdom

Registered number

NI006959

Aquilant Northern Ireland Limited

Strategic report

Principal activities

The principal activities of the company during the year continued to be the supply and service of medical, surgical and scientific devices.

Business review

The results for the year are set out in the profit and loss account and other comprehensive income on page 12 and in the related notes. There were no significant changes to the principal activity during the year and the directors do not plan any significant changes within the foreseeable future.

The results for the year are set out in the key performance indicators as shown below.

The company's turnover increased 0.4% from £8,693,461 (15 months: £10,866,826) in FY19 to £8,726,294 in FY20.

Gross margin decreased 10% from £2,898,206 (15 months: £3,622,757) in FY19 to £2,606,196 in FY20. Gross margin percentage decreased from 33.3% in FY19 to 29.9% in FY20 due to a change in sales mix.

Profit before tax decreased 21.7% from £ 911,506 (15 months: £1,139,382) in FY19 to £714,128 in FY20, and as a percentage of turnover decreased from 10.5% in FY19 to 8.2% in FY20.

The directors consider that both the results for the year and trading prospects are satisfactory. It is the directors' intention to develop the present activities of the company.

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Economic risk

COVID-19

First reported in January 2020 a novel strain of coronavirus ("COVID-19") which first surfaced in China has met the scientific definition of a pandemic, impacting a number of countries globally. The spread of the COVID-19 outbreak has caused severe disruptions in the Irish and global economy and financial markets and has the potential to continue to create widespread business continuity issues of an as yet unknown magnitude and duration. Many countries, including Ireland and the UK, have reacted by instituting quarantines, mandating business and school closures and restricting travel.

In February 2020, a comprehensive COVID-19 action plan was implemented across the company. Key objectives of the plan were to ensure the health and safety of our staff and customers, minimise the disruption to the supply chain and to protect the ongoing veracity of the company's ongoing business operations, all of which was designed to support the company's healthcare customers during the pandemic.

Throughout 2020, COVID-19 dramatically changed established commercial and clinical practices in the healthcare sector. The prompt implementation of the COVID-19 action plan permitted the company to continue to operate effectively to meet the needs of its customers, both in the NHS and HSE, by minimising supply chain disruption. The company's employees continue to work safely and remotely.

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Strategic report *(continued)*

Principal risks and uncertainties *(continued)*

COVID-19 *(continued)*

COVID-19 has had both adverse and positive impacts on company trading in 2020. Many elective procedures and clinical patient interactions were delayed. However, there was additional demand for some critical consumable and medical devices. The company has benefited from its significant planned stock holding and its strong supplier partner and customer relationships.

Whilst there is optimism around significant population vaccination, COVID-19 has triggered a period of economic slowdown. However, the healthcare sector has and will continue to benefit from increased government spend and increased demand for healthcare services. Many healthcare experts are predicting a period of sustained growth in the healthcare sector on a gradual basis from the second half of 2021 and beyond into 2022 and 2023.

The directors are confident that the company is well positioned to benefit from this increased demand for its healthcare products and services.

Brexit

The decision of the United Kingdom (UK) to exit the European Union (EU) at the end of the agreed transition period on 31 December 2020 ("Brexit") posed a significant short-term uncertainty on trading arrangements both between UK and Ireland and between UK and other international markets. Post Brexit transition trading agreements are now in place between UK and EU with special transition trading arrangements in place for Northern Ireland.

The final outcome of the ongoing trading arrangements is still unclear as negotiations continue between both parties. Any changes to the existing transition trading agreements may affect the Company's operations and financial results.

In 2020, the company undertook an extensive review of possible Brexit impacts and implemented a comprehensive contingency set of actions to minimise any commercial Brexit impact.

To date, there has been minimal impact on the Company's operational and financial performance as a result of the above Brexit contingency plan and measures.

Competition risk

The directors of the company manage competition risk through close attention to customer requirements and ensuring services provided by the company satisfy such requirements.

Aquilant Northern Ireland Limited

Strategic report *(continued)*

Principal risks and uncertainties *(continued)*

Financial risk

The management of the financial risks facing the company is governed by policies reviewed and approved by the board of directors. These policies primarily cover liquidity risk, credit risk, interest rate risk and currency risk. The primary objective of the company's policies is to minimise financial risk at reasonable cost. The company does not trade financial instruments. The company uses cash resources and borrowings at prevailing rates to finance its operations. Trade debtors and creditors arise directly from operations on normal terms. The company's exposure to price of financial instruments is therefore minimal.

The company ensures that it has sufficient financing facilities available through cash flow generated from operating activities and banking facilities to meet its projected short and medium term funding requirements and avails of market interest rates. It has not entered into any long term borrowing arrangements.

The majority of the company's activities are conducted in sterling, with the amount of trade in other currencies being minimal. Therefore, the currency risk to the company is minimal.

On behalf of the board



Trevor Rodgers
Director

30th June 2021

Aquilant Northern Ireland Limited

Directors' report

The directors present herewith their report and the audited financial statements for the year ended 30 December 2020.

Results for the year and state of affairs at 30 December 2020

The profit and loss account and other comprehensive income for the year ended 30 December 2020 and balance sheet at that date are set out on pages 11 and 12.

During the year, the company made a profit of £680,925 (2019: £897,315).

Shareholder's funds at 30 December 2020 amounted to £3,498,127 (2019: £2,817,202).

Dividends

The directors do not propose to pay a dividend for the year (2019: £Nil).

Directors and company secretary

The directors who served during the year were:

R Dew (resigned 17 September 2020)
D Frederick
T Rodgers (secretary)

Political contributions

The company made no political contributions or incurred any political expenditure that require disclosure during the year (2019: £Nil).

Future developments

The directors consider both the results for the period and trading prospects to be satisfactory. It is the directors' intention to continue to develop the present activities of the company.

Going concern

The financial statements have been prepared on a going concern basis. The directors have reviewed the current position and cash flow projections of the company. These projections take into account the potential impact of the COVID-19 pandemic as outlined in the "Principal Risks and Uncertainties" Section of the directors' report. The company has net assets of £3,498,127 and net current assets of £3,346,968, which includes an intercompany receivable of £1,061,802 as at 30 December 2020. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future at the time of approving the financial statements.

Key performance indicators

The key performance indicators used by management to monitor performance are as follows:

- Gross margin and operating profit indicators;
- Changes in sales volumes and sales prices;

Aquilant Northern Ireland Limited

Directors' report *(continued)*

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's statutory auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's statutory auditor is aware of that information.

Post balance sheet events

No significant events have occurred since 30 December 2020.

Period of financial statements

During the prior period, the accounting period of the company was changed to align the reporting date with that of its holding company. The current year's financial statements cover the year from 31 December 2019 to 30 December 2020. The prior period comparatives cover the financial year from 1 October 2018 to 30 December 2019.

Auditor

The auditors, KPMG, Chartered Accountants, have expressed their willingness to continue in office and, in accordance with Section 487 of the Companies Act 2006, a resolution for their re-election will be proposed at the Annual General Meeting.

On behalf of the board



Trevor Rodgers
Director

30th June 2021

Maryland Industrial Estate
Ballygowan Road
Castlereagh
Belfast
BT23 6BL
United Kingdom

Aquilant Northern Ireland Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and strategic report and the financial statements in accordance with applicable law and regulations.

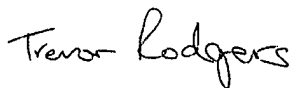
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



Trevor Rodgers
Director

30th June 2021



KPMG
Audit
85 South Mall
Cork
T12 A3XN
Ireland

Independent auditor's report to the members of Aquilant Northern Ireland Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aquilant Northern Ireland Limited ("the company") for the year ended 30 December 2020 set out on pages 11 to 25, which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 30 December 2020 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the director's conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the director's 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 the date when the financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.



Independent auditor's report to the members of Aquilant Northern Ireland Limited (continued)

Report on the audit of the financial statements (continued)

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary. The company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors, other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.



Independent auditor's report to the members of Aquilant Northern Ireland Limited (continued)

Report on the audit of the financial statements (continued)

Other information (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

Celine Fox
Senior Statutory Auditor
for and on behalf of
KPMG

Chartered Accountants, Statutory Audit Firm
85 South Mall
Cork

02 July 2021

Aquillant Northern Ireland Limited

Profit and loss account and other comprehensive income for the year ended 30 December 2020

	Note	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
Turnover – continuing operations	3	8,726,294	10,866,826
Cost of sales		(6,120,098)	(7,244,069)
Gross profit		2,606,196	3,622,757
Administrative expenses		(1,892,068)	(2,483,375)
Profit on ordinary activities before tax	4	714,128	1,139,382
Tax on profit on ordinary activities	8	(33,203)	(242,067)
Profit for the financial year/period		680,925	897,315
Other comprehensive income		-	-
Total comprehensive income for the year/period		680,925	897,315


The notes on pages 14 to 25 form part of these financial statements.

Aquilant Northern Ireland Limited

Balance sheet as at 30 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	151,159	276,296
		<u>151,159</u>	<u>276,296</u>
Current assets			
Stocks	10	2,349,284	1,360,539
Debtors: amounts falling due within one year	11	5,501,854	3,855,661
Cash at bank and in hand	12	45,716	141,067
		<u>7,896,854</u>	<u>5,357,267</u>
Creditors: amounts falling due within one year	13	(4,549,886)	(2,816,361)
Net current assets		<u>3,346,968</u>	<u>2,540,906</u>
Net assets		<u>3,498,127</u>	<u>2,817,202</u>
Capital and reserves			
Called up share capital	16	1,202	1,202
Other reserves		5,155	5,155
Profit and loss account		3,491,770	2,810,845
Shareholder's funds		<u>3,498,127</u>	<u>2,817,202</u>

These financial statements were approved by the board of directors on 30th June 2021 and were signed on its behalf by:



Trevor Rodgers
Director

Registered number: NI006959

The notes on pages 14 to 25 form part of these financial statements.

Aquilant Northern Ireland Limited

Statement of changes in equity for the year ended 30 December 2020

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 October 2018	1,202	5,155	1,913,530	1,919,887
Profit for the period	-	-	897,315	897,315
At 30 December 2019	1,202	5,155	2,810,845	2,817,202
Profit for the year	-	-	680,925	680,925
At 30 December 2020	1,202	5,155	3,491,770	3,498,127

The notes on pages 14 to 25 form part of these financial statement.

Aquilant Northern Ireland Limited

Notes

forming part of the financial statements

1 General information

Aquilant Northern Ireland Limited ("the company") is a private company limited by shares incorporated, domiciled and registered in the United Kingdom (UK). The registered office of the company is Maryland Industrial Estate, Ballygowan Road, Castlereagh, Belfast, BT23 6BL, United Kingdom. The registered number of the company is NI006959.

2 Accounting policies

2.1 Introduction

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding period, unless otherwise noted, are set out below.

2.2 Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is British Pounds (£).

Primacy Healthcare 21 Limited, a parent undertaking of the company, includes the company in its consolidated financial statements. The consolidated financial statements of Primacy Healthcare 21 Limited are prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and are available to the public. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash flow statement and related notes

2.3 Measurement convention policy

The financial statements are prepared on the historical cost basis.

2.4 Going concern

The financial statements have been prepared on a going concern basis. The directors have reviewed the current position and cash flow projections of the company. These projections take into account the potential impact of the COVID-19 pandemic as outlined in the "Principal Risks and Uncertainties" Section of the directors' report. The company has net assets of £3,498,127 and net current assets of £3,346,968, which includes an intercompany receivable of £1,061,802 as at 30 December 2020. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future at the time of approving the financial statements.

2.5 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:

Aquilant Northern Ireland Limited

Notes (continued)

2 Accounting policies (continued)

2.5 Revenue (continued)

Sale of goods

Revenue from 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 marginal 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.

2.6 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.

During the prior period, the company changed the useful lives of its fixed assets in order to align with the group.

Depreciation is provided on the following basis:	2020	2019
Motor vehicles	33%	33%
Plant and machinery	33%	33%

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.

Aquilant Northern Ireland Limited

Notes (continued)

2 Accounting policies (continued)

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 first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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 impairment.

2.9 Cash and cash equivalents

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

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is British Pounds (£).

Transactions and balances

Foreign currency transactions are translated into 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 is 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.

Aquilant Northern Ireland Limited

Notes (continued)

2 Accounting policies (continued)

2.11 Foreign currency translation (continued)

Transactions and balances (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the profit and loss account and other 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.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account and other comprehensive income in the period that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.14 Employee benefits

Defined contribution plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a retirement benefit 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 profit and loss account and other 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.

2.15 Current and deferred taxation

The tax expense for the period comprises current and deferred tax.

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.

Aquilant Northern Ireland Limited

Notes (continued)

2 Accounting policies (continued)

2.15 Current and deferred taxation (continued)

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.

3 Turnover

Turnover represents the amounts derived from the provision of services which fall within the company's ordinary activities, stated net of trade discounts, trade rebates and exclusive of VAT and other sales taxes or duties.

	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
An analysis of turnover by class of business is as follows:		
Medical equipment	7,906,772	9,884,018
Rendering of Service	809,522	982,808
	<hr/>	<hr/>
	8,716,294	10,866,826
	<hr/>	<hr/>
	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
Analysis of turnover by country of destination:		
United Kingdom	8,701,336	10,866,826
Ireland	24,957	-
	<hr/>	<hr/>
	8,716,294	10,866,826
	<hr/>	<hr/>

Aquilant Northern Ireland Limited

Notes (continued)

4 Profit on ordinary activities before tax

The profit on ordinary activities before taxation is stated after charging:

	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
Align depreciation to group policy	-	20,389
Depreciation of tangible fixed assets	128,787	165,627
Exchange loss	4,123	35,037
Defined contribution retirement benefit cost	44,992	46,577
Operating lease rental – office rent	101,773	139,874
Operating lease rental – motor vehicles	74,685	87,288
	<u> </u>	<u> </u>

5 Auditor's remuneration

	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
Fees for the audit of the company	15,600	16,800
	<u> </u>	<u> </u>

Audit fees are based on an allocation across the Group, allocated on a percentage revenue basis to group entities.

6 Employees

	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
<i>Staff costs were as follows:</i>		
Staff salaries	1,098,947	1,317,378
Social security costs	131,905	149,696
Cost of defined contribution retirement benefit scheme	44,992	46,577
	<u> </u>	<u> </u>
	1,275,844	1,513,651
	<u> </u>	<u> </u>

Aquilant Northern Ireland Limited

Notes (continued)

6 Employees (continued)

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

	2020 No.	2019 No.
Administration	15	12
Sales and distribution	14	21
	<u>29</u>	<u>33</u>

7 Directors' remuneration

	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
Remuneration and other emoluments	<u>45,176</u>	<u>119,207</u>

The company has not paid any fees or other remuneration to directors related to the directorship role they provided to the company as part of their group wide executive management role. The above amounts are an estimated allocation of the emoluments paid or payable to those individuals in relation to their group wide executive management role. The estimated allocation is based on an estimate of the qualifying services, including management of the affairs of the company, they provided during the financial year.

8 Taxation

	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
<i>Corporation tax</i>		
Current tax on profits for the year/period	147,657	168,750
Adjustments in respect of prior periods	(139,890)	87,030
Total current tax	<u>7,767</u>	<u>255,780</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(11,944)	(21,818)
Changes to tax rates	1,204	-
Adjustment in respect of prior periods	36,176	8,105
Total deferred tax	<u>25,436</u>	<u>(13,713)</u>
Taxation on profit on ordinary activities	<u>33,203</u>	<u>242,067</u>

Aquilant Northern Ireland Limited

Notes (continued)

8 Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year is lower than (2019: *lower than*) the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Year ended 30 December 2020 £	15 month period ended 30 December 2019 £
Profit on ordinary activities before tax	714,128	1,139,382
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	135,684	216,483
<i>Effects of:</i>		
Expenses not deductible for tax purposes and other	29	610
Adjustments to tax charge in respect of prior periods	(103,714)	95,135
Share based payments	-	-
Group relief received	-	-
Impact of changes in future tax rates	1,204	-
Deferred tax adjustment	-	(70,161)
Total tax charge for the year/period	33,203	242,067

Factors that may affect future tax charges

UK corporation tax rate is to remain at 19% with effect from 1 April 2020, rather than reducing to 17% as previously enacted. This was substantively enacted on 17 March 2020.

Aquilant Northern Ireland Limited

Notes (continued)

9 Tangible fixed assets	Motor vehicles £	Plant and machinery £	Total £
Cost			
At 31 December 2019	167,062	622,053	789,115
Additions	3,650	-	3,650
	<hr/>	<hr/>	<hr/>
At 30 December 2020	170,712	622,053	792,765
	<hr/>	<hr/>	<hr/>
Depreciation			
At 31 December 2019	130,652	382,167	512,819
Charge for the year	17,578	111,209	128,787
	<hr/>	<hr/>	<hr/>
At 30 December 2020	148,230	493,376	641,606
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 December 2020	22,482	128,677	151,159
	<hr/>	<hr/>	<hr/>
At 30 December 2019	36,410	239,886	276,296
	<hr/>	<hr/>	<hr/>

10 Stocks	2020 £	2019 £
Finished goods and goods for resale	2,349,284	1,360,539
	<hr/>	<hr/>

Replacement costs of stock

There are no material differences between the replacement cost of stock and the balance sheet.

The value of finished goods recognised as cost of sales in the year amounted to £6,120,097 (2019: £7,245,441).

11 Debtors: amounts falling due within one year	2020 £	2019 £
Trade debtors	1,024,746	1,101,005
Amounts owed by group undertakings	4,258,434	2,677,770
Prepayments and accrued income	29,681	50,940
Deferred taxation (note 15)	510	25,946
Corporation tax	188,483	-
	<hr/>	<hr/>
	5,501,854	3,855,661
	<hr/>	<hr/>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Aquilant Northern Ireland Limited

Notes (continued)

12 Cash and cash equivalents	2020	2019
	£	£
Cash at bank and in hand	45,716	141,067
13 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	798,065	1,271,953
Amounts owed to group undertakings (a)	3,196,632	-
Other taxation and social security	92,913	207,563
Accruals and deferred income	360,887	342,682
Asset based lending facilities (note 14)	101,389	994,163
	4,549,886	2,816,361

(a) Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

14 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the company's interest-bearing loans and borrowings, which are measured at amortised cost.

Creditors: amounts falling due within one year	2020	2019
	£	£
Invoice discounting facility agreement	101,389	994,163

Invoice discounting facilities are secured in favour of Ulster Bank Ireland DAC (2019: BNP Paribas Commercial Finance Limited) by debenture over the fixed and floating assets of the Company. Ulster Bank DAC holds a cross company guarantee given by Healthcare 21 (UK) Limited, Tools for Living (Ireland) Limited, Lyncare Systems Limited, Primary Healthcare 21 (International) Limited, Medscope Limited, Healthcare Acquisition Limited, Aquilant Limited, Aquilant Endoscopy Limited, Aquilant Northern Ireland Limited, Aquilant Scientific (ROI) Limited, Aquilant Medical (ROI) Limited, Aquilant Pharmaceutical Limited, Aquilant Analytical Services Limited, Xograph Holdings Limited, Xograph Healthcare Limited (UK) and Xograph Healthcare (Ireland) Limited over the invoice discounting facilities of Primacy Healthcare 21 Limited.

Terms and debt repayment	Nominal interest rate	Repayment schedule	2020	2019
			£	£
Invoice discounting facilities	1.55% % + Libor	Monthly	101,389	994,163

Aquilant Northern Ireland Limited

Notes (continued)

15 Deferred taxation	2020 £	2019 £
At beginning of year/period	25,946	12,233
Credited to the profit or loss	(25,436)	13,713

At end of year/period	510	25,946
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Deferred tax asset is made up as follows:	2020 £	2019 £
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Short term timing differences	510	25,946
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Deferred tax asset	510	25,946
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16 Share capital	2020 £	2019 £
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Shares classified as equity

Authorised, allotted, called up and fully paid
1,202 ordinary shares of £1 each

1,202	1,202
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17 Retirement benefit commitments

Retirement benefits for persons providing services to the company are funded through defined contribution retirement schemes, the assets of which are vested in independent trustees for the benefit of such persons and their dependents. The retirement contribution costs charge in the statement of comprehensive income are set out in note 6.

18 Commitments under operating leases

At 30 December 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Property lease		
Within one year	100,000	100,000
Between two and five years	325,000	425,000
	425,000	525,000

Aquilant Northern Ireland Limited

Notes (continued)

18 Commitments under operating leases (continued)	2020 £	2019 £
Car lease		
Within one year	94,130	63,203
Between two and five years	127,611	91,765
	<hr/>	<hr/>
	221,741	154,968
	<hr/>	<hr/>

19 Post balance sheet events

No significant events have occurred since 30 December 2020.

20 Capital commitments and contingencies

The company had no capital commitments or contingencies at 31 December 2020 (2019: £Nil).

21 Related party transactions

During the year, the company entered into transactions, in the ordinary course of business, with other group companies. The company has taken advantage of the exemption under paragraph 8(k) of FRS 102.33.1A not to disclose transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member. There were no director's loans or other arrangements with directors in the year.

22 Immediate and ultimate parent undertaking

Healthcare Acquisition Limited, an Irish incorporated and resident company, is the company's parent undertaking, holding 100% of the equity capital of the company. Primacy Healthcare 21 Limited, an Irish incorporated and resident company, is the parent undertaking of Healthcare Acquisition Limited, for which group financial statements are prepared and publicly available from their registered address at Unit 5, Westpoint Buildings, Westpoint Business Park, Ballincollig, Cork, Ireland.

In April 2021, AddLife AB, Corporate identity No 556995-8126, became the ultimate parent of the company through the 100% acquisition of the Healthcare 21 Group. Incorporated in Sweden AddLife address is Brunkebergstorg 5, Stockholm, Sweden. AddLife shares are traded on Nasdaq Stockholm, Nordic Mid Cap.

23 Approval of financial statements

The board of directors approved these financial statements for issue on 30th June 2021.