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Strategic Report, Report of the Directors and

Audited Financial Statements for the Year Ended 31 March 2021

for

Rocket Medical Plc

Contents of the Financial Statements for the Year Ended 31 March 2021

Company Information
for the Year Ended 31 March 2021

DIRECTORS:	R L Bernberg S Hastings J D Jackson L Todd J D Jackson Mrs B Davis
SECRETARY:	J D Jackson
REGISTERED OFFICE:	Imperial Way Watford Hertfordshire WD24 4XX
REGISTERED NUMBER:	03276608
SENIOR STATUTORY AUDITOR:	David Davis
AUDITORS:	Cameron Baum Davis LLP (Statutory Auditors) 88 Crawford Street London W1H 2EJ

Rocket Medical Plc (Registered number: 03276608)

Strategic Report
for the Year Ended 31 March 2021

The directors present their strategic report for the year ended 31 March 2021.

REVIEW OF BUSINESS
The company is a manufacturer of single use medical devices. The company had a challenging year with sales declining by 3.6%. This was largely owing to the turmoil that was caused by Covid 19, and the resulting reduction in elective surgery.

The company's turnover has decreased to £22,667,563. The Company's net current assets have reduced by £606,937. The overall cash has decreased by £400,000. The company's net current assets as at 31 March 2021 stands at £10.27m, but the overall net asset position has increased by £286,409 to £16.32m.

COVID-19 has led to a reduction in non-essential surgery on a worldwide basis in the early part of the 2020-21 financial reporting period. This has impacted the company with sales down on the in the early part of the financial year, but it has since recovered to a large extent. We have also been negatively impacted by the costs involved in managing Covid 19, in terms of staff availability, social distancing, and inefficiencies associated with keeping our staff as safe as possible

On 31 March Stuart Hastings retired as a full time executive, having joined the Company in 1985. He will continue as a Non-Executive Director, and his role has been taken on by Beverley Davis, who has been promoted from International Sales Manager. We welcome her to the Board as a Director.

PRINCIPAL RISKS AND UNCERTAINTIES
There has been a lot of uncertainty in the medical device market, and regulatory changes have been significant with the onset of MDR (Medical Device Regulation) commencing in May 2021. This will have implications for all medical device companies. It is likely some products will cease to be commercially viable, as a result of the additional Regulatory burdens.

The Company is exposed to currency fluctuations but has a natural hedge in buying and selling in Dollars, Euros and Pounds.

We have been experiencing supply problems, and shipping costs have risen dramatically, as with all businesses. Staff shortages are also a challenge that we are facing and doing our best to overcome.

Product Liability risk is managed by our Quality Regulatory processes and good insurance coverage. The company is committed to continue its investments in resources towards high quality products which are in compliance with the UK and other major countries' product safety regulations. A Regulatory Affairs and Quality control department is in place overlooking the production and documentation processes. The products and processes are further audited by a Notified Body to satisfy UK and other international products safety requirements.

The exposure of the company to price risk is quite low as we have many customers, who generally are good credit risks. Liquidity and cash are both low risk as we have cash in the bank, and a good liquidity ratio.

Strategic Report
for the Year Ended 31 March 2021

SECTION 172(1) STATEMENT
Under S172(1) of the Companies Act 2006 ("S172") The Directors of Rocket Medical Plc (the 'Company') are obligated to act in the way they consider would be most likely to promote the success of the Company for the benefit of its shareholders as a whole. In doing so, the Directors must have regard (among other matters) to:

a) The likely consequences of any decision in the long term;
b) The interests of the Company's employees;
c) The need to foster the Company's business relationships with suppliers, customers and others;
d) The impact of the Company's operations on the community and the environment;
e) The desirability of the Company maintaining a reputation for high standards of business conduct and;
f) The need to act fairly as between shareholders of the Company

Rocket's governance framework is conducive to Board-level decisions being made with stakeholder interests and the longer-term impact in mind.

Board Information
Information is provided in Board papers which take into consideration the views of stakeholders.

Board Strategic Discussion
The Board is satisfied that information provided is of sufficient quality to aid their decision-making; seeking assurance if required.

The Board takes into consideration S172 factors in its strategic discussions, such as the long-term implication of decisions on the business and the impact on stakeholders.

Board Decision
The Board's decisions are communicated to wider stakeholders, where appropriate, and actions are taken to implement the Board's decisions.

Employees
We regularly hold briefings, and disseminate written information to keep our employees informed about the Company's performance and key issues affecting the business.

Shareholders
As a family owned Company during the year Senior Management and the board were synonymous. Since the year end the majority stake in the company has been sold and some existing employees have been given the opportunity to buy shares in the new company. The existing family continue to own shares as well.

Customers
We are regularly asking our customers for feedback and have measures in place so we can determine performance.

Suppliers
This has been a challenging year to ensure supply and we have been communicating closely with suppliers to ensure information flows are robust to minimise supply disruptions.

Communities
We support both charities and actively create opportunities to recruit and develop local people.

Environment
We are actively looking at ways to reduce waste and protect the environment, especially with regards to packaging waste.

COVID-19
Following the COVID-19 lockdown in March 2020 our Senior Leadership Team and operational teams regularly updated all our key stakeholders regarding the actions we were taking and how it affected them. We maintained close contact with our suppliers and customers to ensure continuity of supply to our customers, who were expecting increased demand for our products.

Swift action was taken by our Senior Leadership Team at our sites in the UK and US to ensure the health and safety of those reduced numbers of employees continuing to work on site and frequent communication with all employees took place via email to keep them updated on developments as the crisis progressed.

Whilst COVID-19 remains a risk we will continue to engage with our key stakeholders, ensuring that the Board remains cognisant of their concerns and the effect of the issue on them.

ON BEHALF OF THE BOARD:

J D Jackson - Director

10 December 2021

Report of the Directors
for the Year Ended 31 March 2021

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of manufacturer of single use medical devices.

DIVIDENDS
The total distribution of dividends for the year ended 31 March 2021 will be £2,781,210.

RESEARCH AND DEVELOPMENT
The company has continued to invest in research and development expenditure in relation to surgical and medical equipment.

FUTURE DEVELOPMENTS
We aim to continue the current strategy of increasing our export sales. This will be mainly in those markets where we have direct representation through our subsidiaries in Germany, Holland, Australia, New Zealand, Ireland and the USA.

New products are still an important part of our growth plans, and we will continue to invest in this area.

We have just completed the build of a new Clean Room in our factory and look forward to efficiency gains as a result.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

R L Bernberg
S Hastings
J D Jackson
L Todd
J D Jackson

Other changes in directors holding office are as follows:

Mrs B Davis - appointed 23 March 2021

CURRENCY RISK
The policy on currency risk is covered in the Strategic Report.

ENGAGEMENT WITH STAKEHOLDERS
Developing and maintaining strong relationships with all of our stakeholders is key to the success of the Company. By engaging with stakeholders, listening to their feedback and understanding their perspective, the Board is able to ensure that there is sufficient consideration of the impact of its decisions on stakeholders and that their interests are balanced with corporate objectives.

COVID-19
Following the COVID-19 lockdown in March 2020 our Senior Leadership Team and operational teams regularly updated all our key stakeholders regarding the actions we were taking and how it affected them. We maintained close contact with our suppliers and customers to ensure continuity of supply to our customers, who were expecting increased demand for our products.

Swift action was taken by our Senior Leadership Team at our sites in the UK and US to ensure the health and safety of those reduced numbers of employees continuing to work on site and frequent communication with all employees took place via email to keep them updated on developments as the crisis progressed.

Whilst COVID-19 remains a risk we will continue to engage with our key stakeholders, ensuring that the Board remains cognisant of their concerns and the effect of the issue on them.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS
Engagement with employees
The directors have continually acted during the financial year in a way to introduce, maintain or develop arrangements aimed at:
i. Providing employees systematically with information on matters of concern to them as employees
ii. Consulting employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests
iii. Achieving a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company.

Engagement with suppliers, customers and others
The directors have had regard to the need to foster the company's business relationships with suppliers, customers and other relevant parties, and the effect of that approach, including its impact on the principal decisions taken by the company during the financial year, is influenced by understanding that without these key business relationships the business would be negatively impacted. Any principal decision is discussed keeping in mind any possible impact of that decision on suppliers and customers and other relevant parties.

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS
The company did not consider it appropriate as an owner managed entity to establish and apply any corporate governance code for the financial year. The arrangements for corporate governance which were applied in the year were board discussions to ensure management was effective, entrepreneurial and prudent so that long-term success of the company would be delivered.
The company remained headed by an effective board collectively responsible for the long-term success of the company with no one individual having unfettered power of decision making.
The directors have the appropriate balance of skills, experience, independence and knowledge of the company to enable them to discharge their respective duties and responsibilities effectively. The board obtains in a timely manner information in a form and of a quality appropriate to enable it to discharge its duties. The board undertakes a regular evaluation of its own performance and of that of individual directors.
The directors determine the nature and extent of the principal risks the company is willing to take in achieving its strategic objectives. The directors maintain sound risk management and internal control systems.

Report of the Directors
for the Year Ended 31 March 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

J D Jackson - Director

10 December 2021

Report of the Independent Auditors to the Members of Rocket Medical Plc

Opinion

We have audited the financial statements of Rocket Medical Plc (the 'company') for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 Report of the Directors.

We have nothing to report in respect of the following matters where 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 Statement of Directors' Responsibilities set out on page seven, 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 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.

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity:

Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pension legislation, and distributable profits legislation.

Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the fundamental statements include: operating licence, environmental regulations, health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. The likelihood of detecting irregularities including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that results from fraud might be inherent more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material missatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

David Davis (Senior Statutory Auditor)
for and on behalf of Cameron Baum Davis LLP
(Statutory Auditors)
88 Crawford Street
London
W1H 2EJ

10 December 2021

Income Statement
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
TURNOVER	3	22,667,563	23,507,785
Cost of sales		(12,547,830)	(12,128,694)
GROSS PROFIT		10,119,733	11,379,091
Distribution costs		(27,726)	(140,023)
Administrative expenses		(7,258,408)	(6,232,914)
		2,833,599	5,006,154
Other operating income		-	39,059
OPERATING PROFIT	5	2,833,599	5,045,213
Income from fixed asset investments		638	1,485
Interest receivable and similar income	6	47,300	77,332
PROFIT BEFORE TAXATION		2,881,537	5,124,030
Tax on profit	7	186,082	(734,215)
PROFIT FOR THE FINANCIAL YEAR		3,067,619	4,389,815

The notes form part of these financial statements

Rocket Medical Plc (Registered number: 03276608)

Other Comprehensive Income
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
PROFIT FOR THE YEAR		3,067,619	4,389,815
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,067,619	4,389,815

The notes form part of these financial statements

Rocket Medical Plc (Registered number: 03276608)

Balance Sheet
31 March 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	9	2,634,566	1,596,060
Investments	10	3,699,348	3,699,348
		6,333,914	5,295,408
CURRENT ASSETS			
Stocks	11	4,457,188	4,171,257
Debtors	12	5,720,864	5,134,186
Cash at bank and in hand		4,984,902	5,386,768
		15,162,954	14,692,211
CREDITORS			
Amounts falling due within one year	13	(4,891,280)	(3,813,600)
NET CURRENT ASSETS		10,271,674	10,878,611
TOTAL ASSETS LESS CURRENT LIABILITIES		16,605,588	16,174,019
PROVISIONS FOR LIABILITIES	15	(284,264)	(139,104)
NET ASSETS		16,321,324	16,034,915
CAPITAL AND RESERVES			
Called up share capital	16	411,000	411,000
Share premium	17	1,227	1,227
Retained earnings	17	15,909,097	15,622,688
SHAREHOLDERS' FUNDS		16,321,324	16,034,915

The financial statements were approved by the Board of Directors and authorised for issue on 10 December 2021 and were signed on its behalf by:

R L Bernberg - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2019	411,000	13,200,222	1,227	13,612,449
Changes in equity				
Dividends	-	(1,967,349)	-	(1,967,349)
Total comprehensive income	-	4,389,815	-	4,389,815
Balance at 31 March 2020	411,000	15,622,688	1,227	16,034,915
Changes in equity				
Dividends	-	(2,781,210)	-	(2,781,210)
Total comprehensive income	-	3,067,619	-	3,067,619
Balance at 31 March 2021	411,000	15,909,097	1,227	16,321,324

The notes form part of these financial statements

Rocket Medical Plc (Registered number: 03276608)

Cash Flow Statement
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	2,646,534	5,697,577
Tax paid		(303,485)	(342,183)
Net cash from operating activities		2,343,049	5,355,394
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,323,746)	(592,503)
Purchase of fixed asset investments		-	(3,698,350)
Sale of tangible fixed assets		5,500	69,384
Interest received		47,300	77,332
Dividends received		638	1,485
Net cash from investing activities		(1,270,308)	(4,142,652)
Cash flows from financing activities			
Amount withdrawn by directors		1	(35)
Movement in group loans		1,306,602	1,818,055
Equity dividends paid		(2,781,210)	(1,967,349)
Net cash from financing activities		(1,474,607)	(149,329)
(Decrease)/increase in cash and cash equivalents		(401,866)	1,063,413
Cash and cash equivalents at beginning of year	2	5,386,768	4,323,355
Cash and cash equivalents at end of year	2	4,984,902	5,386,768

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2021

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.3.21	31.3.20
	£	£
Profit before taxation	2,881,537	5,124,030
Depreciation charges	285,241	227,005
Profit on disposal of fixed assets	(5,500)	(3,834)
Finance income	(47,938)	(78,817)
	3,113,340	5,268,384
(Increase)/decrease in stocks	(285,931)	99,861
(Increase)/decrease in trade and other debtors	(430,847)	616,253
Increase/(decrease) in trade and other creditors	249,972	(286,921)
Cash generated from operations	2,646,534	5,697,577

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2021

	31.3.21	1.4.20
	£	£
Cash and cash equivalents	4,984,902	5,386,768

Year ended 31 March 2020

	31.3.20	1.4.19
	£	£
Cash and cash equivalents	5,386,768	4,323,355

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	5,386,768	(401,866)	4,984,902
	5,386,768	(401,866)	4,984,902
Total	5,386,768	(401,866)	4,984,902

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. STATUTORY INFORMATION

Rocket Medical Plc is a public (non-traded) company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements
The financial statements contain information about Rocket Medical Plc as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Rocket Medical Group Plc; Bermer House,Imperial Way, Watford,WD24 4XX.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates
The directors consider two main areas where judgement and estimates have been relied upon:

Stock valuation: The stock is valued on standard costing basis. The unit costs are determined on the basis
of budgeted costs and then multiplied by the quantities in the stock.

The budgeted costs are based actual costs incurred immediately prior to the year end.

Depreciation: The depreciation rates are based on estimated useful lives of plan and machinery. A large number of plant and machinery purchased to be used in the manufacturing department are of high value and have a long useful lives. The management use their judgement and experience to determine the depreciation rates which represents the actual usage and wear and tear of those assets.

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax. Turnover is recorded upon raising a despatched note for the delivery of goods to customers. Where goods are returned a credit is recorded upon receipt and acceptance of the goods.

continued...

2. ACCOUNTING POLICIES - continued

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 10% on cost and Estimated useful life
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost

Assets are held at cost less accumulated depreciation and impairment charges.

The net book value of plant and machinery purchased before 31st March 2018 is depreciated over ten years.

The company recognise the impairment of company's assets when there is a permanent reduction in the value of company's assets.

Investments in subsidiaries
Investments in subsidiaries are recognised at cost less impairment charges.

Stocks
Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in; first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Financial instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

All the financial assets and liabilities, i.e. payables and receivables are initially measured at transaction price (including transaction costs).

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The R&D tax claims are being recognised on the basis of claim made during the year. Additionally, Patent Box tax claims are accounted for as received.

continued...

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

There are no on-going pension commitments as all pension funds to which the company contributes on behalf of directors and employees are defined pension contribution pension schemes.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Operating lease

Rental payments under operating leases are charged to the account on a straight line basis over the period of lease.

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31.3.21	31.3.20
	£	£
United Kingdom	12,175,177	12,563,217
Rest of World	10,492,386	10,944,568
	22,667,563	23,507,785

continued...

4. EMPLOYEES AND DIRECTORS

	31.3.21	31.3.20
	£	£
Wages and salaries	6,805,037	6,175,432
Social security costs	755,586	731,102
Other pension costs	258,774	282,555
	7,819,397	7,189,089

The average number of employees during the year was as follows:

	31.3.21	31.3.20
	230	229

Included as part of research and development costs in note 5, £1,181,667 (2020: £898,486) relates to staff research and development. The total staff costs including these additional costs totalled £9,001,064 in the year (2020: £8,087,575).

	31.3.21	31.3.20
	£	£
Directors' remuneration	1,356,910	1,012,456
Directors' pension contributions to money purchase schemes	31,553	43,076

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	2

HIGHEST PAID DIRECTOR

	31.3.21	31.3.20
	£	£
Emoluments etc.	651,409	389,103
Pension contribution to money purchase schemes	-	-

50% of the highest paid director's salary and pension cost has been allocated to research and development. Therefore, the total emoluments of the highest paid director including the charge to research and development is £1,302,818.

The total directors' remuneration for the year ended 31 March 2021 was £2,039,872.

The directors do not consider there to be any key management other than the directors of Rocket Medical Plc.

continued...

5. OPERATING PROFIT

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

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	285,240	227,005
Profit on disposal of fixed assets	(5,500)	(3,834)
Auditors' remuneration	48,000	23,125
Auditor's fee (Tax compliance)	2,000	2,000
Foreign exchange differences	205,130	(39,059)
Research and development	1,630,131	1,145,153

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.3.21	31.3.20
	£	£
Bank interest	11,211	23,572
Other interest	36,089	53,760
	47,300	77,332

7. TAXATION

Analysis of the tax (credit)/charge
The tax (credit)/charge on the profit for the year was as follows:

	31.3.21	31.3.20
	£	£
Current tax:		
UK corporation tax	(331,242)	607,585
Deferred tax	145,160	126,630
Tax on profit	(186,082)	734,215

Reconciliation of total tax (credit)/charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.21	31.3.20
	£	£
Profit before tax	2,881,537	5,124,030
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	547,492	973,566
Effects of:		
Capital allowances in excess of depreciation	(172,499)	(83,959)
Non deductible expenses	431	1,114
R & D relief	(402,642)	(282,853)
Franked investment income	(121)	(283)
Deferred tax charge	172,499	126,630
Patent Box Claim	(331,242)	-
Total tax (credit)/charge	(186,082)	734,215

continued...

8. DIVIDENDS

	31.3.21	31.3.20
	£	£
Dividend Ordinary	2,781,210	1,967,349

The above dividend represents interim dividends declared during the year.

9. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST				
At 1 April 2020	5,652,991	1,083,782	245,421	6,982,194
Additions	397,548	921,698	4,500	1,323,746
Disposals	-	-	(25,795)	(25,795)
At 31 March 2021	6,050,539	2,005,480	224,126	8,280,145
DEPRECIATION				
At 1 April 2020	4,598,069	705,243	82,822	5,386,134
Charge for year	131,379	82,536	71,325	285,240
Eliminated on disposal	-	-	(25,795)	(25,795)
At 31 March 2021	4,729,448	787,779	128,352	5,645,579
NET BOOK VALUE				
At 31 March 2021	1,321,091	1,217,701	95,774	2,634,566
At 31 March 2020	1,054,922	378,539	162,599	1,596,060

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings	Listed investments	Totals
	£	£	£
COST			
At 1 April 2020 and 31 March 2021	3,699,347	1	3,699,348
NET BOOK VALUE			
At 31 March 2021	3,699,347	1	3,699,348
At 31 March 2020	3,699,347	1	3,699,348

Market value of listed investments at 31 March 2021 - £15,961.

continued...

10. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Rocket Medical Pty Limited
Registered office: O'Brien Bousamara & Co Pty Ltd, Suite 209-1 Katherine Street, Chatswood, NSW 2067
Nature of business: Suppliers of single use medical devices

Class of shares:	% holding
Ordinary	100.00

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	488,035	381,511
Profit for the year	55,341	28,172

Country of incorporation: Australia

Rocket Medical GmbH
Registered office: Am Rosengarten 48, 15566 Schoeneiche bei Berlin, Germany.
Nature of business: Suppliers of single use medical devices

Class of shares:	% holding
Ordinary	100.00

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	(39,690)	(56,598)
Profit for the year	18,021	10,922

Country of incorporation: Germany

Rocket Medical (NZ) Limited
Registered office: Level 10, 48 Ward Street, Hamilton
Nature of business: Suppliers of single use medical devices

Class of shares:	% holding
Ordinary	100.00

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	83,892	63,599
Profit for the year	22,462	8,876

Country of incorporation: New Zealand

continued...

10. FIXED ASSET INVESTMENTS - continued

Rocket Medical Canada Inc.
Registered office: Stewart McKelvey, 1959 Upper Water Street Suite 900, Halifax NS B3J 3N2
Nature of business: Suppliers of single use medical devices

Class of shares:	% holding
Ordinary	100.00

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	10,877	(31,426)
Profit for the year	42,303	7,567

Country of incorporation: Canada

Rocket Medical B.V
Registered office: Vijzelstraat 20 4e verdiepin 1017HK AMSTERDAM
Nature of business: Suppliers of single use medical devices

Class of shares:	% holding
Ordinary	100.00

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	53,585	38,773
Profit for the year	16,262	12,285

Country of incorporation: Netherlands

Rocket Medical (IE) Limited
Registered office: Unit 3, Howth Junction Business Centre, Dublin 5, D05 N8E2
Nature of business: Suppliers of single use medical devices

Class of shares:	% holding
Ordinary	100.00

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	45,893	30,090
Profit for the year	16,931	17,078

Country of incorporation: Ireland

Rocket Medical LLC
Registered office: 50 Corporate Park, DR Suite 890, Pembroke MA02359
Nature of business: Suppliers of single use medical devices

Class of shares:	% holding

	31.3.21	31.3.20
	£	£
Aggregate capital and reserves	438,631	207,655
Profit for the year	255,197	207,655

Country of incorporation: United States of America

Listed investments represent complimentary shares alloted by AVIVA Plc free of charge.

continued...

11. STOCKS

	31.3.21	31.3.20
	£	£
Raw materials	2,494,398	2,255,509
Work-in-progress	150,271	205,407
Finished goods	1,812,519	1,710,341
	4,457,188	4,171,257

12. DEBTORS

	31.3.21	31.3.20
	£	£
Amounts falling due within one year:		
Trade debtors	2,263,864	2,424,603
Amounts owed by group undertakings	1,560,118	1,275,376
Other debtors	623,534	6,093
Prepayments and accrued income	198,471	224,326
	4,645,987	3,930,398
Amounts falling due after more than one year:		
Amounts owed by group undertakings	1,074,877	1,203,788
Aggregate amounts	5,720,864	5,134,186

Amount owed by Group Undertakings of more than one year attract a market rate of interest in the home market of the debtor.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade creditors	696,318	384,089
Amounts owed to group undertakings	2,918,675	1,456,241
Tax	-	634,727
Social security and other taxes	184,941	177,846
VAT	29,044	332,805
Other creditors	28,290	31,751
Directors' current accounts	7	6
Accruals and deferred income	1,034,005	796,135
	4,891,280	3,813,600

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21	31.3.20
	£	£
Within one year	285,000	285,000
Between one and five years	1,340,000	1,340,000
In more than five years	515,000	800,000
	2,140,000	2,425,000

continued...

15. PROVISIONS FOR LIABILITIES

	31.3.21	31.3.20
	£	£
Deferred tax	284,264	139,104

	Deferred tax
	£
Balance at 1 April 2020	139,104
Provided during year	172,499
Tax on losses	(27,339)
Balance at 31 March 2021	284,264

The deferred tax liability is provided to account for tax liability arising due to accelerated capital allowances.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.21	31.3.20
			£	£
411,000	Ordinary	£1	411,000	411,000

17. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2020	15,622,688	1,227	15,623,915
Profit for the year	3,067,619		3,067,619
Dividends	(2,781,210)		(2,781,210)
At 31 March 2021	15,909,097	1,227	15,910,324

18. ULTIMATE PARENT COMPANY

RÖKO AB (incorporated in Sweden) is regarded by the directors as being the company's ultimate parent company.

Rocket Medical Group Ltd is the company's immediate parent company which prepares the consolidated financial statements incorporating the financial statements of Rocket Medical Plc and its subsidiaries.

19. POST BALANCE SHEET EVENTS

On 19 May 2021 100% of the shares in the Company were sold to Roko AB.This is a Swedish investment fund, which is building an international group of companies. Current management have invested in the new structure and will continue to grow and develop the company. Our current Financial Director is retiring in March 2022, and we have hired his replacement, Philip Gardner to take on his role. Jeff will remain as a Non-executive Director. To get in line with the group year-end we are changing our financial year end to 31 December and will be appointing new group auditors in place of the very good auditors we have had for many years.

continued...

20. ULTIMATE CONTROLLING PARTY

The directors consider that there is no one controlling party.