THE RALPH®
centre of excellence + compassion

REFLECTING ON YEAR TWO

The Ralph Veterinary Referral Centre Plc
Report and Financial Statements
for the year ended 31 March 2021

Registered number: 09905661

COMPANY INFORMATION

The Ralph Veterinary Referral Centre Plc

DIRECTORS

Iqbal Dhanji
Shailen Jasani
Andrew Zychowski

SECRETARY

Iqbal Dhanji

AUDITORS

Saffery Champness LLP
Chartered Accountants and Statutory Auditors
St John's Court
High Wycombe
HP11 1JX

SOLICITORS

Kingsley Napley LLP
20 Bonhill Street
London
EC2A 4DN

REGISTERED OFFICE

The Ralph
Fourth Avenue
Globe Business Park
Marlow
Buckinghamshire
SL7 1YG

REGISTERED NUMBER

09905661

WE CARE FOR EVERY ANIMAL AS WE WOULD OUR OWN

WE ACT WITH COMPASSION, INTEGRITY AND HUMILITY

WE TREAT OURSELVES AND OTHERS WITH PATIENCE AND GRATITUDE

WE VALUE OUR PEOPLE AND PRIORITISE THEIR WELLBEING

WE ARE A TEAM THAT PAVES OUR OWN WAY AND LEADS BY EXAMPLE

WE CHAMPION A COMMUNITY THAT NURTURES A SHARED VISION

WE EMBRACE A LEARNING MINDSET WHICH HAS CREATIVITY AT ITS CORE

CHAIRMAN'S STATEMENT

The Chairman's Statement forms part of the Strategic Report

This is the second full year of trading since The Ralph commenced seeing patients in February 2019. Despite the challenges of the Covid-19 pandemic, The Ralph has made considerable progress in building the team of specialists and support staff, embedding the values of the company and increasing awareness amongst first opinion vets that has led to a steady increase in cases referred. The Ralph now has 160+ employees across all disciplines. It is established as one of the largest Emergency and Critical Care (ECC) services in the United Kingdom in addition to the other key clinical services such as Orthopaedics, Soft Tissue Surgery, Internal Medicine, Neurology & Neurosurgery, Ophthalmology, Oncology, Cardiology and Dentistry.

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On behalf of the Board, I would like to thank all members of Team Ralph who have worked tirelessly and been hugely supportive during this challenging year in dealing with the impact of the COVID-19 pandemic while also providing the very best care to our patients and their carers.

FINANCIAL PERFORMANCE

The Ralph generated revenue of £8.5M (2020: £4.6M), an 86% year-on-year increase. This is an impressive performance for a start-up despite the slowdown at the start of the year caused by the Covid-19 pandemic.

Costs have also increased significantly as staff numbers grew across all disciplines to meet demand. In addition, substantial infrastructure investments were made including the addition of a new dog ward. As is common with startup businesses this investment in people and facilities takes time to generate sufficient cash from increasing turnover to cover ongoing expenses and for the business to become profitable.

Nevertheless, The Ralph managed to reduce its pre-tax loss from £2.4M (restated) to £1.6M. March 2021, the last month of the financial year, was profitable and although turnover for April and May of the current financial year was behind budget, turnover for June and July came in ahead of budget. Despite further increase in the cost base due to investment in additional people, both months were on the cusp of being both profitable and cashflow positive. A key objective for the current financial year is for the company to become consistently profitable and cashflow positive.

£8.5m

The Ralph generated revenue of £8.5M (2020: £4.6M), an 86% year-on-year increase

£680K

The Ralph raised some £680K at 12.5p a share, at the end of 2020

160

Team Ralph is now over 160 strong, including 35 vets

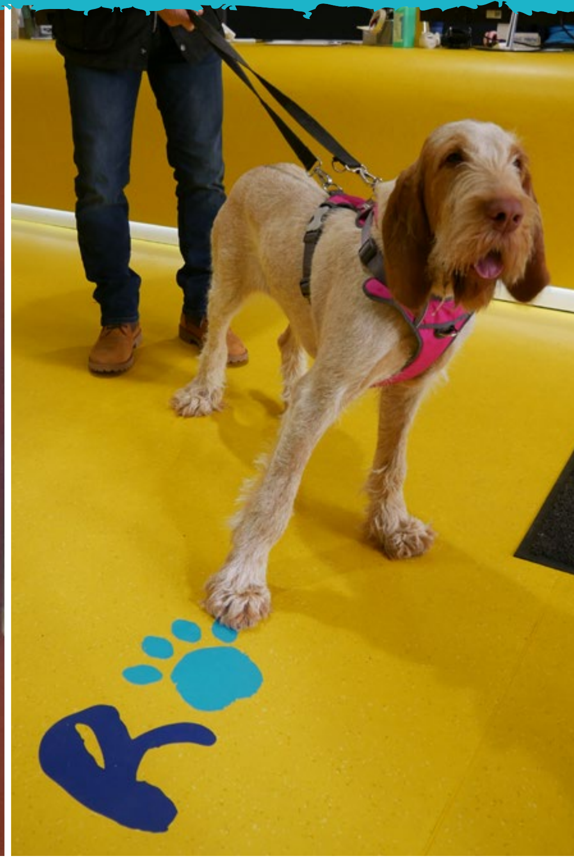
FUNDRAISING

At the end of 2020 The Ralph raised some £680K at 12.5p a share. The money was raised to fund a projected shortfall in cashflow over the Christmas/New Year holiday period and provide a working capital buffer for the continuing growth of The Ralph. The fundraise was strongly supported by existing shareholders, exceeding the initial target of £500K.

INFRASTRUCTURE DEVELOPMENTS

Two notable investments were undertaken during the financial year:

- A second Dog Ward was constructed which came into use in March 2021. This Dog Ward 2 is now dedicated to surgical patients while Dog Ward 1 is now dedicated to medicine patients. Some minor improvements have been made to Dog Ward 1 to address the lack of patient treatment space.
- Following the closure of the Animal Health Trust (based in Newmarket) in early 2020, The Ralph made significant equipment purchases from the auction of their equipment that took place in September 2020. This included a large autoclave for sterilising/decontaminating of surgical and other kit, a washer disinfector and several other pieces of equipment. This was an opportunistic purchase as it cost a third of what it would otherwise have cost. The autoclave area will be redeveloped in 2021 to allow for these new machines to be installed.



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OUR PEOPLE AND THE IMPACT OF COVID-19

Our people are at the heart of our business and we are committed to investing in their continued development and well-being, whilst continuing to provide the very best care to our patients.

Following the Government's announcement of the first lockdown on 23 March 2020, the Royal College of Veterinary Surgeons ('RCVS') and the British Veterinary Association ('BVA') announced that veterinary practices should only remain open for urgent and emergency cases, with non-urgent and non-emergency cases either deferred or handled through teleconsultation. The Ralph complied with these recommendations and implemented various measures to protect our people.

The impact of these announcements caused a slowdown in caseload and hence turnover growth towards the end of the prior financial year and into the new financial year. The lockdown measures also meant that recruitment of staff had to be slowed down for a few months.

Since the beginning of June 2020 however, when the veterinary sector was considered essential and there was revised guidance from the RCVS and BVA, growth in caseload and turnover resumed and recruitment of Interns, nurses, customer care team members and patient care assistants recommenced. Furthermore, most disciplines are now supported by more than one Diplomate and/or Advanced Practitioner with more clinicians due to join over the next few months.

Despite the easing of Covid related restrictions since June 2020, The Ralph has continued with several measures implemented, to protect staff throughout the year including only allowing essential people into the building, encouraging all admin staff to work from home where possible, internal hygiene and physical distancing protocols, and specialists providing consultations in the car park where a second and larger shelter was erected to facilitate outdoor face-to-face consultations.

We expect some of these measures, like outdoor face-to-face consultations to remain in place for the foreseeable future.

STRATEGIC PRIORITIES AND GROWTH INITIATIVES

The Ralph now has specialists in all disciplines and is currently recruiting selectively, additional specialists and support clinicians to build depth in the various disciplines to manage demand and to ensure sustainability of a 24-7-365 offering. Recruitment of support staff is also ongoing where required.

The current financial year is focussed on the following key priorities:

- Becoming cashflow positive from day-to-day operations
- Achieving consistent profitability
- Optimising patient safety
- Improving operational infrastructure (systems, processes, facilities), both clinical & non-clinical
- Expanding Team Ralph in line with our needs and finances
- Improving team performance and efficiency
- Deepening the foundations of our culture and embedding our core values

AGM

The AGM held in 2020 using the Zoom platform proved to be much more efficient for shareholders to attend. For 2021, the AGM will be held on 23 September at 11:00am at the offices of the Company. For shareholders who cannot attend physically but would like to follow the presentations virtually, the Board has decided to stream the AGM using the zoom platform once again. Please note that attendance virtually will not count towards a quorum. Hence, all shareholders are requested to submit their proxy forms electronically at least two days in advance of the meeting. Further details have been provided in the email sent to all shareholders accompanying this report and accounts.

OUTLOOK

The Ralph operates in a sector with favourable market and consumer trends, with pet carers increasingly willing to spend money on their pets. An estimated 10-20% of UK households have also adopted a new pet during the pandemic.

The Board remains confident that the business model is appropriate and we look forward to the future with confidence.

Our core values lie at the heart of who we are and what we do. They are vital to how The Ralph operates day-today, how we care for the patients we treat, and how we work with one another. The Board would once again like to thank all members of Team Ralph and our stakeholders for their belief in The Ralph, their support and contribution to the past financial year.

Iqbal Dhanji
Chairman of the Board

STRATEGIC REPORT

The Ralph Veterinary Referral Centre Plc (The Ralph) is a state-of-the-art, multidisciplinary, small animal specialist veterinary referral hospital based in Marlow, Buckinghamshire.

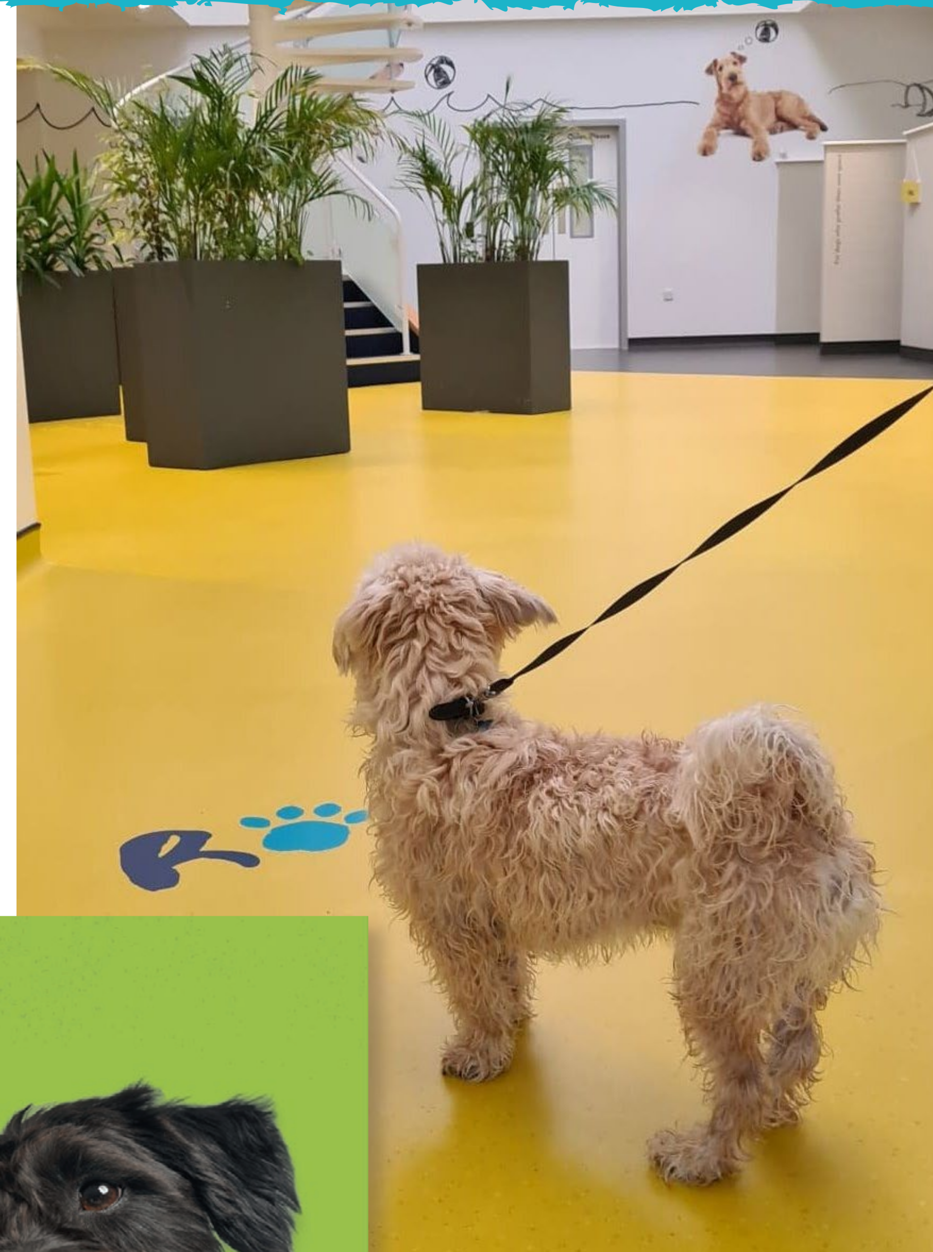
The Ralph opened its doors to patients in February 2019 and its clinical staff is led by Board-certified Diplomates and Advanced Practitioners. They are supported by Residents, Interns and other vets, a team of nurses, patient care assistants and support staff in customer care, finance, community engagement and administration. As at 31 July 2021 The Ralph had 160+ team members.

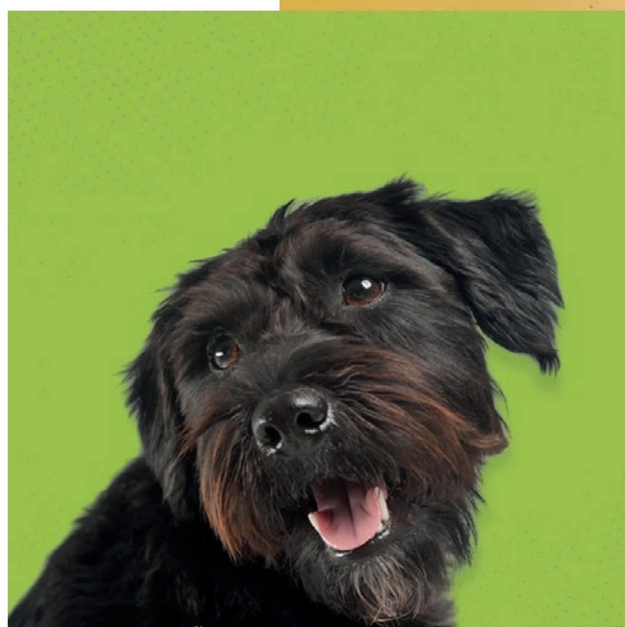
The Ralph provides one of the largest Emergency and Critical Care (ECC) services in the United Kingdom alongside key clinical services such as Orthopaedics, Soft Tissue Surgery, Internal Medicine, Neurology & Neurosurgery, Ophthalmology, Oncology, Cardiology and Dentistry.

The Ralph aims to be a top tier tertiary referral centre on a par with, and indeed at times exceeding both University-grade small animal hospitals and a very small number of other comparable private referral centres. Geographically, other than a small referral hospital located about five miles away that offers 2/3 disciplines, the nearest comparable multi-disciplinary referral hospitals considered to be significant competitors are an hour's drive away.

WIDER VETERINARY SECTOR

The UK veterinary sector has continued to experience consolidation of primary care practices and specialist multidisciplinary referral hospitals by corporate providers backed by private equity. However, the Directors are also aware of a number of independent start-up veterinary practices. In the referral space, The Ralph is one of the few remaining independent top tier multidisciplinary small animal specialist referral centres in the United Kingdom. It is well placed to serve the needs of not only primary care vets who prefer to support the independent segment of this sector but also corporate owned practices that may not have a vertical referral hospital in their proximity or where their vertical referral centre does not have the capacity to see their patients in a timely manner.





BUSINESS PERFORMANCE

This has been The Ralph's second full year of operation since opening. This second year has been particularly challenging with the impact of the pandemic which caused a slowdown in caseload at the beginning of the year. However, once the Government announced that the veterinary sector was considered essential, the caseload rebounded and increased steadily to the year end. As with all start-ups, The Ralph has had many challenges and it has been very much a process of taking calculated risks and investing ahead of plan to meet the opportunities arising.

Key Performance Indicators (KPIs)

The Directors monitor a number of KPIs which they consider are effective in measuring delivery of their strategy and which assist in the management of the business. The main KPIs are:

- Turnover - £8.4M (2020 - £4.6M) - an increase of 86%;
- Pre-tax loss - £1.6M (2020 - £2.4M restated); and
- Staff numbers - For a growing start up business a key KPI was to ensure that we could recruit the people/staff to safely deliver a quality service to our patients across all clinical disciplines. The growth in staff numbers shown below helps to demonstrate how we have achieved this goal.

	March 2020	March 2021	July 2021
Referral Clinicians	19	23	26
Other vets including Residents and Interns	13	25	20
Nurses	37	55	62
Patient Care Assistants and Other Clinical Staff	11	18	20
Customer Care Team	7	11	10
Management and other Admin Staff	15	19	23
Total	102	151	161

Taken together, these KPIs are trending towards The Ralph achieving critical mass with its people/equipment/facilities and becoming consistently profitability and cashflow positive from day-to-day operations.

The current financial year will also be focussed on the following key priorities:

- Optimising patient safety
- Improving operational infrastructure (systems, processes, facilities) - both clinical & non-clinical
- Expanding Team Ralph in line with the needs and finances of the hospital
- Improving team performance and efficiency
- Deepening the foundations of The Ralph culture and embedding the core values

FINANCIALS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements. The Directors report a pre-tax loss on ordinary activities of £1,579,811 (2020: £2,387,813 - restated).

DIRECTORS' DUTIES

The directors of the company, as those of all UK companies must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regarded (amongst other matters) to:

- The likely consequences of any decisions in the long-term;
- The interest of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and environment;
- The desirability of the company to maintain a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the company.

The following paragraphs summarise how the Directors' fulfil their duties:

Risk management – the Board maintains a Risk Register that it reviews regularly. The major identified risks are disclosed in more detail in the section under 'principal risks' later in this Strategic Report.

Our people – are what make The Ralph. Without them and their dedication, The Ralph would not be able to make the progress it has done so far. Their welfare and alignment to the vision of The Ralph are paramount to the long-term success of The Ralph. Their welfare is discussed in more detail under the section entitled 'our people and the impact of Covid-19' in the Chairman's Statement and their alignment with the vision of The Ralph within the 'principal risks' section below under 'recruitment and retention of staff'.

Business relationships – with referring vets, with suppliers and other stakeholders, are crucial to the long-term success of The Ralph. One of the principal risks identified is the loss of reputation which would impact the referrals The Ralph gets from first opinion vets and this is discussed within the relevant section under 'principal risks' below. The Ralph ensures it keeps to agreed credit terms with suppliers to ensure we get the best service and price for materials and services.

Community and environment – The Ralph has a dedicated Community Engagement team whose sole responsibility is to engage, respond and seek feedback from our referral community of vet practices. The team also provide updates to carers about their pets who are inpatients.

Shareholders – The Ralph engages regularly with shareholders via Investor Updates, publication of the Annual Report and Accounts, hosting the Annual General Meeting and welcomes contact by email, with the Chairman at the address on the cover email accompanying these report and accounts. Shareholders can also follow the progress of The Ralph by viewing its website (**www.theralph.vet**) or follow the company on the various social media platforms.

ENVIRONMENTAL SOCIAL GOVERNANCE

The Ralph seeks to conduct its affairs responsibly and to consider environmental, human rights, social and community issues. No penalties were imposed on the company for failure to comply with any regulatory or human rights issues.

PRINCIPLE RISKS

The Directors have identified a number of principle risks facing The Ralph and have strategies to mitigate them.

LOSS OF REPUTATION

A key risk to the Company is the loss of reputation related to clinical performance and standards of patient care. The Clinical Director and all the senior clinicians are acutely aware of this risk and monitor this closely. This risk is mitigated by frequent internal reviews, on-going continuous improvement processes and with all employed staff being awarded Enterprise Management Incentive (EMI) share options to ensure they have a vested interest in the success of the hospital.

RECRUITMENT AND RETENTION OF STAFF

The success of The Ralph is dependent on recruiting and retaining appropriate personnel. To that end, The Ralph has a recruitment process that is complemented by a comprehensive on-boarding procedure once an employee commences work. This is to ensure all new employees understand the core values and culture of The Ralph. In addition, The Ralph offers excellent working conditions and all employees are awarded share options that can be exercised from the end of year four to year ten from the date they were granted. This should help recruit, motivate and retain quality personnel.

The Ralph employs veterinary surgeons, nurses and other members of staff that are citizens of other EU countries. There is therefore a risk of a shortage of skilled staff in the future. While in the short term, the Home Office has permitted citizens of other EU countries currently working in the UK to continue to do so, in the medium term, the current UK government having added veterinary surgeons to the Shortage Occupation List mitigates the risk. In addition, The Ralph has applied for and been granted approval by the Home Office to be a licensed sponsor under Tier 2 of the immigration points-based system. This should enable The Ralph to recruit appropriately from other countries.

FINANCIAL

Credit risk - The Ralph operates a debtor's policy with the vast majority of debtors covered by pet insurance which is generally settled within 30 days of a claim being raised with the relevant insurance company.

Where carers do not have insurance for their pets, they either pay the full invoice for treatment at the end of a course of treatment or apply for credit finance from a finance company we have made arrangements with. In the rare instances where carers do not have pet insurance or do not qualify for a credit facility, carers are encouraged to find alternative means of meeting their bills.

Liquidity and cashflow risks - the Management of the Company monitor the cashflow position regularly. The Board meets monthly to discuss the Management Accounts and review the cashflow forecasts of the Company. Where required, capital expenditure has mostly been funded through asset finance while the working capital requirements to fund the growth in The Ralph as it moves towards profitability has been funded by equity.

CONTINUITY OF REFERRALS

The long-term success and viability of The Ralph is dependent on primary care vets continuing to refer cases to The Ralph. To this end, relationships with primary care vets will continue to be developed and nurtured through professional support, hosting Continuing Professional Development (CPD) sessions and providing excellent care and communication. This continued relationship building, support and care should create a strong foundation for the long-term success of The Ralph.

IMPACT OF COVID-19

The "lockdown" periods over the past year due to the Covid-19 pandemic has encouraged many households to take the plunge and adopt a pet. This has led to the Veterinary sector being one of the more resilient sectors and performed well over the past year. This has further supported the original thesis for The Ralph - that during times of uncertainty, pets will continue to receive the very best care from their carers.

The Directors however, remain cautious about growth as any financial hardship caused by the ending of the furlough scheme or with carers returning to work and finding they can no longer look after the pets they had adopted, may lead to an increase in euthanasia or an increase in pets in rescue centres leading to a drop in caseload/turnover.

The Directors will continue to monitor this closely and take action as appropriate.

This report was approved by the Board on 23rd August 2021 and signed on its behalf.

Iqbal Dhanji
Director

CEO REFLECTIONS

At the beginning of 2021 I said that I wanted to stop referring to **The Ralph** as a start-up by the end of this year. This was somewhat arbitrary, of course. There isn't a universal law of when a start-up stops being a start-up! Nonetheless it has provided me at any rate with a high level way of assessing our progress. As I write this with just over four months left of the year, I believe that we are on track.

One critical goal of this year is to become both profitable and cashflow positive. We cover this elsewhere in this Annual Report and so I will not expand further here.

Team Ralph has continued to grow over the last twelve months. Recruitment takes time and especially in a growing start-up it is important to try and stay on top of our needs. Lack of enough people can be an impediment to further growth. It can compromise patient care/safety, team wellbeing and service delivery to carers and referrers. Balancing this with financial affordability is a delicate juggling act not for the fainthearted! Current and near-term recruitment is focused on new key roles including an Assistant Clinical Director and an HnR Manager. We are also focused on plugging specific gaps where they still exist.

Alongside team expansion we have been doing a lot of work to develop and embed our clinical and non-clinical operations. Essentially to build out our full range of systems, processes and protocols - "how we do it at The Ralph". The overarching aim is to improve standards, efficiency, performance and capacity. There will always be challenges and areas of potential improvement. Yet we want to reach the stage where the link becomes more tenuous between those challenges and The Ralph being a start-up.

The Ralph has continued to navigate the consequences of the Covid-19 pandemic along with everyone else. Operationally not much has changed for us in the last twelve months with special measures remaining in place. All being well, that will not be the case by the time of our next annual report!

Clinically our team, equipment and repertoire of treatments and procedures offered continue to develop. On the facilities side the main highlight of 2021 was the opening of our second dog ward. This came into use in mid-March. It has been well received and put to good use since then! We have also been working to extend and embed our patient safety initiatives. Some of the ideas we are trialing or exploring are not yet in use in the veterinary sector. This aligns with our aim to one day be a leader in patient safety in the sector.

All our patients are individuals and live in the memory. Nonetheless some do stand out due to the nature of the care that they required or the complexity of their condition. We have included a couple of such cases in this report for your interest. Others of note are some of our cardiac patients requiring interventional procedures. Twice this year we have been lucky enough to receive help with such cases from external colleagues both veterinary and from human healthcare. Our Cardiology team also received national and international press coverage, both veterinary and mainstream. This was for identifying a possible link between a variant of the Covid-19 virus and heart abnormalities in cats and dogs.

On a personal level, and as a hospital, we are also passionate about and committed to training. This is another area in which we have and will continue to progress. Of note over the last twelve months was the launch of a Residency (specialist-in-training) programme in Dentistry and in Surgery. We have expanded our cohort of specialist veterinary interns further. We also have our first veterinary surgeon undergoing a rotating internship programme. On the nurse side our inaugural Rotating Nurse Internship programme will end in November. As with all new ideas, there are of course learnings. Yet overall it has been a very positive experience. We have very much enjoyed having our first cohort of Nurse Interns. Last but not least the embers of clinical research are starting to burn at The Ralph!

I have been very open in the past that The Ralph did not come to exist because I had a particular desire to found and run a veterinary hospital. Rather I had a vision which others share of a particular kind of hospital. One where alignment with core values and a particular type of workplace culture permeate our people and everything that we do. Treating our patients as if they are our own pets is about much more than our clinical decision-making and our medical prowess. It is also about the way we handle them, the way we speak to them, the way we speak about them, the way we treat their families. At The Ralph we hope that we do this as much as possible with kindness, compassion and empathy.

Likewise people often refer to teamwork. Many of the definitions include "working together to achieve a common goal" or similar. But of course the way teams work together can vary widely even when the goal is achieved. At The Ralph we aspire to collaborate with one another on a foundation of kindness and respect. How well are we doing in terms of alignment with core values and embedding the culture we envisioned? This is a subjective assessment, of course, and I would say "not too bad, not too bad at all"!

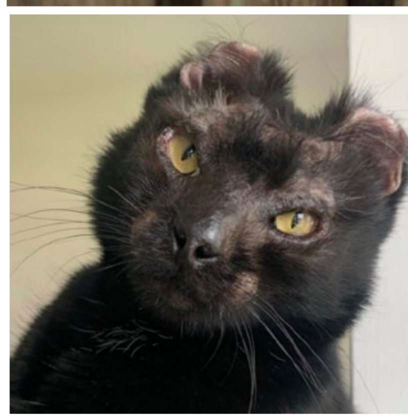
Thank you as always for your ongoing support and for your belief in Team Ralph and our vision. It is very much appreciated.

Shailen

Shailen Jasani MA VetMB MRCVS DACVECC
Founder, CEO and Clinical Director

“I am overall very pleased with Midnight’s progress - she has certainly been through a lot! She has gained weight, has an improved coat condition, and seemed generally more settled and comfortable.

Heidi Featherstone
Head of Ophthalmology



Top right: Midnight roaming her garden at home.

Top left: Midnight before her visit to The Ralph.

Bottom left: Midnight after the second surgery on her eyelids.

Bottom right: Midnight after her third surgery.

CASE STUDY

Midnight’s story

Midnight was tragically caught in a house fire in the summer of 2020 and suffered severe burns to her face and body. She was rescued by the fire brigade, who took Midnight to a local veterinary practice for emergency treatment.

Once **Midnight’s** condition had stabilised, the RSPCA team in East Berkshire were contacted to support with her ongoing care and wellbeing. It was a real community effort to treat Midnight’s burns, with three local practices and the RSPCA East Berkshire pulling together. Thanks to their dedication and hard work, Midnight made remarkable progress, but there were growing concerns about her right eye which appeared red and hazy.

Midnight was seen by our Ophthalmology team, who assessed her carefully. Midnight was unable to fully close all her four eyelids because of the severity of the burns. The skin on her forehead had scarred very badly, pulling the eyelid skin upwards and making it immobile. Just like human eyes, when the eyelids cannot close the surface of the eye becomes dry and susceptible to damage. The damage to the eyelid skin was severe on both sides but slightly worse on the right side.

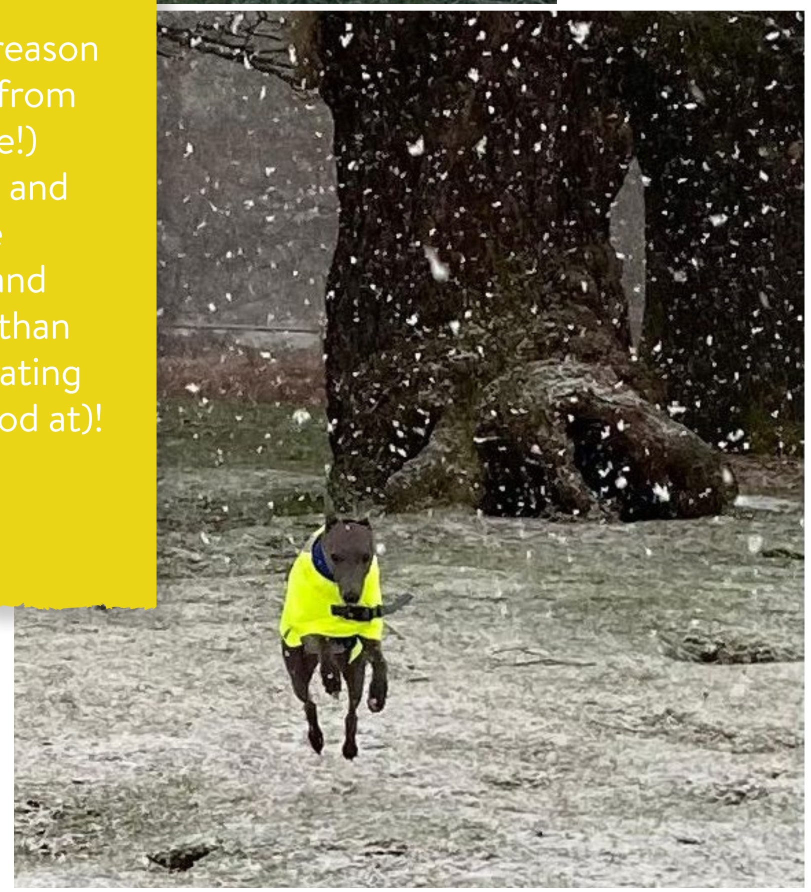
Midnight needed surgery to release some of the scar tissue and improve the eyelid function. Burn injuries cause the skin to contract and it is best to wait until the healing process has finished before performing surgery. So, the surgery was scheduled two months later. During that time, Midnight’s eyes were protected with lubricant eye creams.

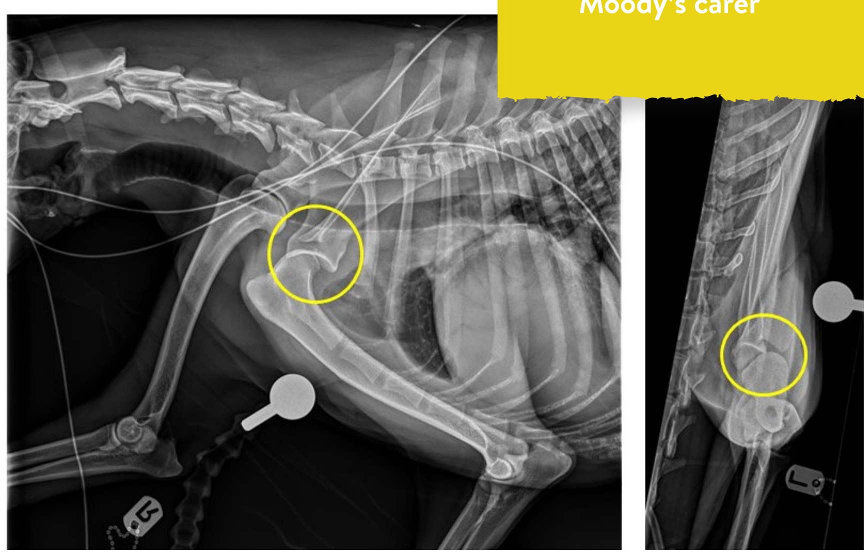
Midnight underwent three surgeries over the course of two months; the first surgery was on her right eye, the second was on her left eye, and the third was to make some minor adjustments. Skin grafts were used to restore Midnight’s eyelids so they could close fully.

At the time of writing, five months after her last surgery, Midnight is doing amazingly well. Her eyelids have healed well, and she is able to blink again. Midnight no longer needs any eye lubricants. At Midnight’s last check-up Heidi, Head of Ophthalmology, commented “I am overall very pleased with Midnight’s progress - she has certainly been through a lot! She has gained weight, has an improved coat condition, and seemed generally more settled and comfortable”. And to top it all off Midnight has found a forever home with Lauren, who is the veterinary nurse from the local practice who cared for her in the very beginning - pure bliss!

Above: Moody with the temporary splint recuperating at home post-surgery.

> "I would say that part of the reason he recovered so well (apart from his invaluable veterinary care!) is because Moody takes rest and relaxation very seriously. He loves snoozing, sunbathing and snuggling on the sofa more than any other activity (besides eating which he's also very very good at)!
>
> **Moody's carer**





Above: Moody is back up and running post-surgery

Left: X-rays taken prior to surgery. The yellow circle highlights where the left shoulder joint is dislocated (luxated).

CASE STUDY

Moody by name, definitely not by nature!

Moody is a very much loved member of the family. He is an eight year old Whippet, with a passion for running and a love of vintage cars! Moody is at his happiest when he is nestled into his family's vintage jeep, or sniffing out new terrain whilst on an adventure.

Sadly **Moody's** love for running was halted after he sustained a minor injury to his left forelimb (leg) which gradually deteriorated. Moody was struggling to put weight on his left forelimb, and would frequently rest during walks.

Moody visited Stefano, our Surgery Resident, who conducted a thorough examination to determine what may be causing the problem. Strangely, a gait analysis (a study of how Moody walks) appeared normal. However when Stefano carefully manipulated Moody's left shoulder, he was able to identify the root of the problem. Moody's shoulder was intermittently dislocating (luxating) from the shoulder socket. This explains why Moody would be able to walk 'normally' on some occasions, but would struggle from time to time. This injury is very rarely seen in the shoulder, and is more commonly found in the hip joint.

Surgery is the recommended treatment for a dislocated joint, so Moody was promptly prepared by our theatre and anaesthesia teams. Surgical exploration was performed first of all to fully assess Moody's luxated shoulder joint. Then a surgical technique called "biceps tendon transposition" was performed, which repositions the bicep tendon. This stops the leg bone (humerus) from sliding out of the shoulder socket joint, and therefore preventing the luxation from occurring again.

Moody had a temporary splint (called a spica splint) applied to his shoulder and forelimb to support the healing process. He was also prescribed pain relief to provide comfort and help reduce the inflammation.

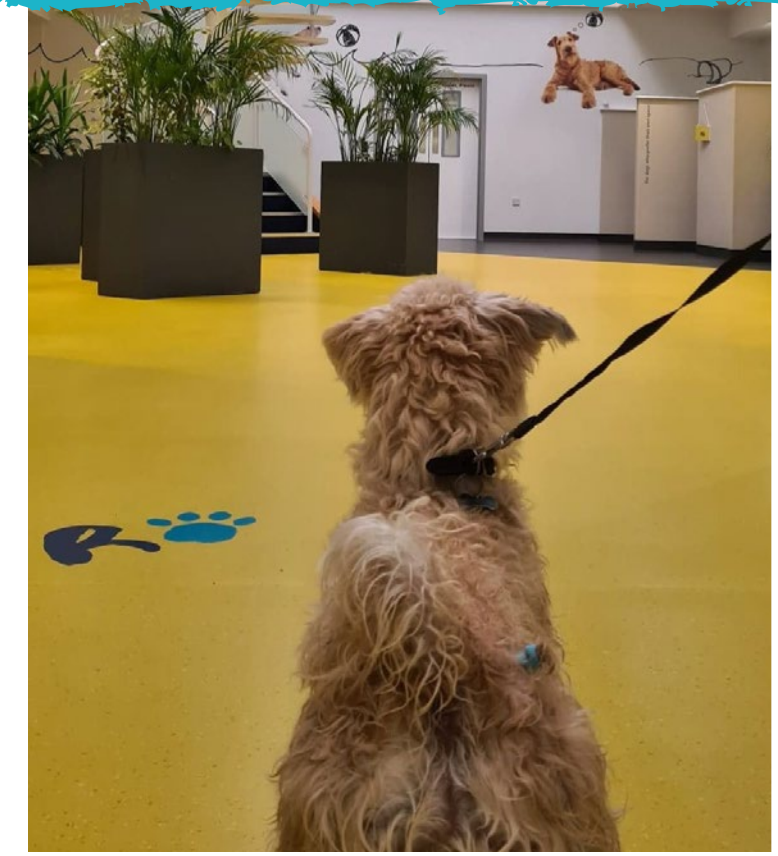
A six-week period of crate rest, accompanied by a physiotherapy programme were integral to Moody's recovery, along with Moody's relaxing skills; "I would say that part of the reason he recovered so well (apart from his invaluable veterinary care!) is because Moody takes rest and relaxation very seriously. He loves snoozing, sunbathing and snuggling on the sofa more than any other activity (besides eating which he's also very very good at)!", Moody's carer.

DIRECTORS' REPORT

The Ralph Veterinary Referral Centre Plc

The directors present their report and financial statements for the year ended 31 March 2021.

Registered number: 09905661



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PRINCIPAL ACTIVITIES

The company's principal activity during the year continued to be veterinary activities.

DIRECTORS

The following persons served as directors during the year:

Iqbal Dhanji

Shailen Jasani

Andrew Zychowski

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 and applicable law). 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the Board on 23rd August 2021 and signed on its behalf.

Iqbal Dhanji

Director

INDEPENDENT AUDITORS REPORT

to the members of The Ralph Veterinary Referral Centre Plc

OPINION

We have audited the financial statements of The Ralph Veterinary Referral Plc for the year ended 31 March 2021 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 Chairman's Report, Strategic Report and the Directors' Report and report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chairman's Report, the Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, UK Tax legislation, and The Misuse of Drugs Act 1971.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve noncompliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of noncompliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditor's report.

USE OF OUR REPORT

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

Sheryl Davis

Sheryl Davis
Senior Statutory Auditor

For and on behalf of **Saffery Champness LLP**
Chartered Accountants and Statutory Auditors

St John's Court
High Wycombe
HP11 1JX

23rd August 2021

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INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021	2020 (Restated)
		£	£
Turnover	2	8,468,845	4,561,889
Cost of sales		(6,735,022)	(4,130,659)
Gross profit		**1,733,823**	**431,230**
Administrative expenses		(3,377,396)	(2,750,034)
Other operating income	2	105,155	–
Operating loss	3	**(1,538,418)**	**(2,318,804)**
Interest receivable		498	–
Interest payable	5	(41,891)	(69,009)
Loss on ordinary activities before taxation	6	**(1,579,811)**	**(2,387,813)**
Tax on loss on ordinary activities	7	960,903	–
Loss for the financial year		**(618,908)**	**(2,387,813)**

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021	2020 (Restated)
		£	£
Loss for the financial year		(618,908)	(2,387,813)
Other comprehensive income		–	–
Total comprehensive income for the year		**(618,908)**	**(2,387,813)**

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021	2020 (Restated)
		£	£
Fixed assets			
Tangible assets	8	3,640,887	3,639,360
Current assets			
Stocks	9	241,083	216,591
Debtors	10	1,878,766	592,675
Cash at bank and in hand		476,483	479,970
		2,596,332	1,289,236
Creditors: amounts falling due within one year	11	(2,734,752)	(1,552,525)
Net current liabilities		(138,420)	(263,289)
Total assets less current liabilities		3,502,467	3,376,071
Creditors: amounts falling due after more than one year	12	(862,808)	(831,599)
Net assets		**2,639,659**	**2,544,472**
Capital and reserves			
Called up share capital	16	124,442	118,994
Share premium	17	7,394,098	6,741,096
Share-based payment reserve		102,985	47,340
Profit and loss account	20	(4,981,866)	(4,362,958)
Total equity		**2,639,659**	**2,544,472**

Iqbal Dhanji
Director

Approved by the Board on 23rd August 2021.

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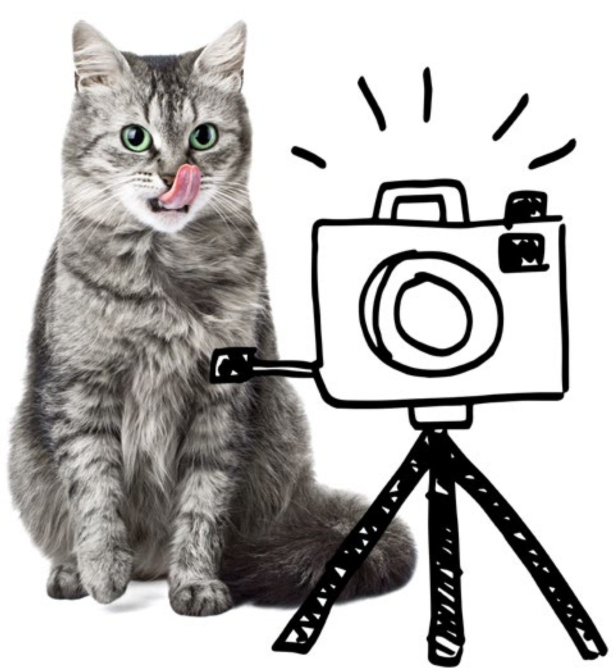
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Share premium	Share-based payment reserve	Profit and loss account	Total
	£	£	£	£	£
At 1 April 2019	98,028	4,423,287	–	(1,975,145)	2,546,170
Loss for the financial year				(2,387,813)	(2,387,813)
Shares issued	20,966	2,317,809	47,340		2,386,115
At 31 March 2020 as restated	**118,994**	**6,741,096**	**47,340**	**(4,362,958)**	**2,544,472**
At 1 April 2020	118,994	6,741,096	47,340	(4,362,958)	2,544,472
Loss for the financial year				(618,908)	(618,908)
Movement during the year			55,645		55,645
Shares issued	5,448	653,002			658,450
At 31 March 2021	**124,442**	**7,394,098**	**102,985**	**(4,981,866)**	**2,639,659**



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021	2020 (Restated)
		£	£
Operating activities			
Loss for the financial year		(618,908)	(2,387,813)
Adjustments for:			
Interest receivable		(498)	–
Interest payable		41,891	69,009
Tax on loss on ordinary activities		(960,903)	–
Depreciation		347,227	322,460
Share-based payments		55,645	47,340
Increase in stocks		(24,492)	(216,591)
Increase in debtors		(325,188)	(96,862)
Increase in creditors		1,227,235	427,527
		(257,991)	**(1,834,930)**
Interest received		498	(23,827)
Interest paid		(23,955)	(45,182)
Interest element of finance lease payments		(17,937)	–
Cash used in operating activities		**(299,385)**	**(1,903,939)**
Investing activities			
Payments to acquire tangible fixed assets		(52,383)	(270,818)
Proceeds from sale of tangible fixed assets		–	316,311
Cash (used in)/generated by investing activities		**(52,383)**	**45,493**
Financing activities			
Proceeds from the issue of shares		658,450	2,338,775
Repayment of loans		(18,750)	(25,000)
Capital element of finance lease payments		(291,419)	(127,655)
Cash generated by financing activities		**348,281**	**2,186,120**
Net cash (used)/generated			
Cash used in operating activities		(299,385)	(1,903,939)
Cash (used in)/generated by investing activities		(52,383)	45,493
Cash generated by financing activities		348,281	2,186,120
Net cash (used)/generated		**(3,487)**	**327,674**
Cash and cash equivalents at 1 April		479,970	152,296
Cash and cash equivalents at 31 March		**476,483**	**479,970**
Cash and cash equivalents comprise:			
Cash at bank		**476,483**	**479,970**

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1. Summary of significant accounting policies

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared with early application of the FRS 102 October 2020 amendments relating to COVID-19 related rent concessions.

GOING CONCERN

The company made a loss of £618,908 (2020: £2,387,813 - restated) and has net current liabilities of £138,420 (2020: £263,289 - restated)

The directors have prepared cash flow forecasts for a period of 12 months from the date of signing these financial statements, based on recent levels of activity and availability of resources to facilitate an increase trade. These forecasts indicate that the company will continue to meet its liabilities as they fall due for the foreseeable future.

On this basis the directors believe that it remains appropriate to prepare the company financial statements on a going concern basis.

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services. Turnover from the rendering of services is recognised when the company is legally entitled to the income and the amount can be measured reliably.

TANGIBLE FIXED ASSETS

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	over the lease term
Plant and machinery	over 10 years
Fixtures, fittings, tools and equipment	25% reducing balance

STOCKS

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

DEBTORS

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

CREDITORS

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

GOVERNMENT GRANTS

Government grants receivable as compensation for expenses are recognised as other operating income when there is reasonable assurance that the grant conditions will be met and the grants will be received.

TAXATION

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

PROVISIONS

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

LEASED ASSETS

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

SHARE-BASED PAYMENTS FOR EMPLOYEE SHARE SCHEMES

The company has granted share options to employees at various dates in 2019 and 2020 under the Enterprise Management Incentives employee share option scheme. The company's policy is to offer participation in the employee share option scheme to all employees at the time of recruitment. These options must be measured at fair value and recognised as an expense in the profit and loss account with a corresponding increase in shareholders' funds. The fair value of the options has been estimated at the date of grant using the Black-Scholes option-pricing model. The fair value will be charged as an expense in the profit and loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting. The credit entry is contained within a separate reserve called the Share-Based Payment Reserve in the company's reserves and is shown in the Movement in Shareholders' Funds.

PENSIONS

Contributions to defined contribution plans are expensed in the period to which they relate.

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2. Analysis of turnover

	2021	2020
	£	£
Services rendered	8,468,845	4,561,889
By geographical market:		
UK	**8,468,845**	**4,561,889**

GOVERNMENT GRANT

The company received £105,155 (2020: £Nil) during the year under the Job Retention Scheme from the government which has recognised been as government grant income. The grant has been recognised as other operating income in the financial statements.

3. Operating profit

	2021	2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	228,602	209,043
Depreciation of assets held under finance leases and hire purchase contracts	118,625	113,417
Operating lease rentals - plant and machinery	201,285	220,904
Operating lease rentals - land and buildings	394,291	374,203
Share-based payment accounting charge	55,645	47,340
Auditors' remuneration for audit services	12,950	7,000
Carrying amount of stock sold	1,321,619	650,893

4. Staff costs

	2021	2020
	£	£
Wages and salaries	4,448,823	3,001,975
Social security costs	493,097	324,056
Other pension costs	92,156	59,751
	5,034,076	**3,385,782**
Average number of employees during the year	Number	Number
	120	82

5. Directors' Emoluments

	2021	2020
	£	£
Director's remuneration	14,375	3,268
Director's fees paid via service company	373,994	340,833

Subsequent to the reporting date, all remuneration for directors' services are processed directly through payroll.

	2021	2020
The number of directors to whom retirement benefits were accruing	–	–

6. Interest payable

	2021	2020
	£	£
Bank loans	23,954	23,827
Finance charges payable under finance leases and hire purchase contracts	17,937	45,182
	41,891	**69,009**

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7. Taxation

	2021	2020
	£	£
Analysis of charge in period		
Deferred tax:		
Origination and reversal of timing differences	(960,903)	–
Tax on loss on ordinary activities	(960,903)	–

FACTORS AFFECTING TAX CHARGE FOR PERIOD

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2021	2020 (Restated)
	£	£
Loss on ordinary activities before tax	(1,579,811)	(2,387,813)
Standard rate of corporation tax in the UK	19%	19%
	£	£
Loss on ordinary activities multiplied by the standard rate of corporation tax	(300,164)	(453,684)
Losses in the period not recognised		444,690
Deferred tax asset not previously recognised	(671,311)	–
Tax effect of expenses that are not deductible in determining taxable profit	10,572	8,994
Current tax charge for period	(960,903)	–

8. Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Total
	At cost	At cost	At cost	
	£	£	£	£
Cost or valuation				
At 1 April 2020	3,207,971	905,855	167,903	4,281,729
Additions	53,737	264,887	30,130	348,754
At 31 March 2021	3,261,708	1,170,742	198,033	4,630,483
Depreciation				
At 1 April 2020	413,900	170,743	57,726	642,369
Charge for the year	215,847	100,248	31,132	347,227
At 31 March 2021	629,747	270,991	88,858	989,596
Carrying amount				
At 31 March 2021	2,631,961	899,751	109,175	3,640,887
At 31 March 2020	2,794,071	735,112	110,177	3,639,360

	2021	2020
	£	£
Carrying value of plant and machinery included above held under finance leases and hire purchase contracts	848,194	670,448

9. Stocks

	2021	2020
	£	£
Finished goods and goods for resale	241,083	216,591

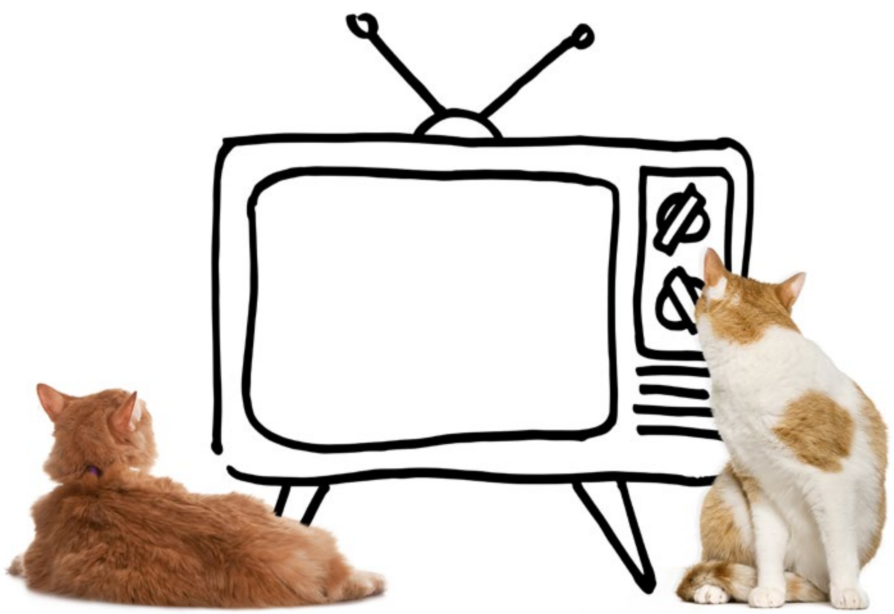
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

10. Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	655,296	318,081
Other debtors	152,130	250,000
Prepayments and accrued income	110,437	24,594
	917,863	**592,675**

	2021	2020
	£	£
Amounts falling due after more than one year:		
Deferred tax asset	960,903	–
Total Debtors	**1,878,766**	**592,675**



11. Creditors: amounts falling due within one year

	2021	2020 (Restated)
	£	£
Bank loans	25,000	25,000
Obligations under finance lease and hire purchase contracts	244,825	118,999
Trade creditors	403,788	310,516
Other taxes and social security costs	719,856	368,912
Other creditors	109,285	102,024
Rent incentive	743,323	500,077
Accruals and deferred income	488,675	126,997
	2,734,752	**1,552,525**

12. Creditors: amounts falling due after one year

	2021	2020
	£	£
Bank loans	52,083	70,833
Obligations under finance lease and hire purchase contracts	639,892	760,766
Other creditors	170,833	–
	862,808	**831,599**

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13. Obligations under finance leases and hire purchase contracts

	2021	2020
	£	£
Amounts payable:		
Within one year	244,825	118,999
Within two to five years	605,178	690,280
After five years	34,714	70,486
	884,717	**879,765**

14. Loans and overdrafts

	2021	2020
	£	£
Bank loans	77,083	95,833
Obligations under finance lease and hire purchase contracts	884,717	879,765
Other creditors	260,833	90,000
	1,222,633	**1,065,598**
Payable within one year	359,825	233,999
Payable over one year	862,808	831,599

Interest on the Bank loan is payable at 6.14% fixed rate. Amounts borrowed pursuant to this loan are unsecured. The remaining term is 37 months.

Interest on Hire purchase agreements range from 4.6% to 9.7% . The amounts included above are secured on the assets to which they relate. The remaining term range between 12 and 70 months.

Interest on loans included within other creditors are payable at between 7.7% and 12.1%. The amounts included above are unsecured. The remaining term range between 20 and 37 months.

15. Deferred taxation

	2021	2020
	£	£
Accelerated capital allowances	(329,576)	–
Tax losses carried forward	1,290,479	–
	960,903	**–**

	2021	2020
	£	£
Brought forward	-	–
Charged to the profit and loss account	960,903	–
Charged to other comprehensive income	-	–
At 31 March	**960,903**	**–**

16. Share capital

	Nominal value	2021 Number	2021	2020
			£	£
Allotted, called up and fully paid:				
A Ordinary shares	£0.001 each	72,442,426	72,442	66,994
B Ordinary shares	£0.001 each	52,000,000	52,000	52,000
			124,442	**118,994**

The A and B ordinary shares entitle the holder to full voting rights and to participate fully in any dividend or capital distributions. The ordinary shares are not redeemable.

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17. Share premium

	2021	2020
	£	£
At 1 April	6,741,096	4,423,287
Shares issued	653,002	2,317,809
At 31 March	7,394,098	6,741,096

18. Share-based payments for employee share schemes

On 25 February 2019, the company granted options over 1,396,000 shares through a tax-advantaged Enterprise Management Incentives employee share option scheme to a total of 49 employees on an all-employee basis at an option price of £0.001 per A Ordinary Share. The period over which the outstanding options are capable of subsisting is the period from February 2019 to February 2029. The period over which the outstanding options are capable of being exercised is the period from February 2023 to February 2029 during the period of employment of the scheme participants or at an exit event at any time in the ten-year period.

On 12 July 2019, the company granted options over 508,000 shares through a tax-advantaged Enterprise Management Incentives employee share option scheme to a total of 21 employees on an all-employee basis at an option price of £0.001 per A Ordinary Share. The period over which the outstanding options are capable of subsisting is the period from July 2019 to July 2029. The period over which the outstanding options are capable of being exercised is the period from July 2023 to July 2029 during the period of employment of the scheme participants or at an exit event at any time in the ten-year period.

On 12 December 2019, the company granted options over 455,000 shares through a tax-advantaged Enterprise Management Incentives employee share option scheme to a total of 19 employees on an all-employee basis at an option price of £0.001 per A Ordinary Share. The period over which the outstanding options are capable of subsisting is the period from December 2019 to December 2029. The period over which the outstanding options are capable of being exercised is the period from December 2023 to December 2029 during the period of employment of the scheme participants or at an exit event at any time in the ten-year period.

On 28 August 2020, the company granted options over 348,000 shares through a tax-advantaged Enterprise Management Incentives employee share option scheme to a total of 14 employees on an all-employee basis at an option price of £0.001 per A Ordinary Share. The period over which the outstanding options are capable of subsisting is the period from August 2020 to August 2030. The period over which the outstanding options are capable of being exercised is the period from August 2024 to August 2030 during the period of employment of the scheme participants or at an exit event at any time in the ten-year period.

The arrangements for an employee on leaving the company are as follows:

Leaving through Resignation

If the employee ceases to hold office or employment within the company as a consequence of resignation before exercising the option, then the employee is not allowed to exercise the option and the option lapses immediately at the date of leaving.

Leaving through Dismissal

If the employee ceases to hold office or employment within the company as a consequence of dismissal through gross misconduct or actively engaging in competition against the company or committing a material breach of either the Articles of Association or any shareholders agreement that is in existence at the time, then the employee is not allowed to exercise the option and the option lapses immediately at the date of leaving.

Leaving for a reason other than Resignation or Dismissal before Fourth Anniversary

If the employee leaves the employment of the company before the expiry of the fourth anniversary of the date of grant of the option for any reason other than resignation or dismissal, then the exercise of the option by the employee is fully at the discretion of the board of directors who must notify the employee of their decision within three months of the date of leaving and in the event that the board of directors does not give its permission to exercise the option then the Option will lapse immediately following the decision.

Leaving for a reason other than Resignation or Dismissal after Fourth Anniversary

If the employee leaves the employment of the company at any time after the fourth anniversary of the date of grant and has already exercised the option, thereby ensuring ownership of the shares, then the employee will be allowed to retain ownership of the shares, whatever the reason for leaving.

Death in Service

If the employee dies whilst holding employment within the company before exercising the option, then at the discretion of the board of directors the personal representative will be allowed to exercise the option within the period of twelve months of the date of death.

The expense calculation for the options granted on 25 February 2019, 12 July 2019, 12 December 2019 and 28 August 2020, using the Black-Scholes option-pricing valuation model, is based on the following assumptions:

Assumption	2019 Grant 25.02.2019	2019 Grant 12.07.2019	2019 Grant 12.12.2019	2020 Grant 28.08.2020
Expected volatility	20%	20%	20%	20%
Expected dividend yield	0%	0%	0%	0%
Exercise price	£0.001	£0.001	£0.001	£0.001
Market Value	£0.10	£0.10	£0.125	£0.125
Expected life	4 years	4 years	4 years	4 years
Risk-free rate	1.0%	1.0%	1.0%	1.0%

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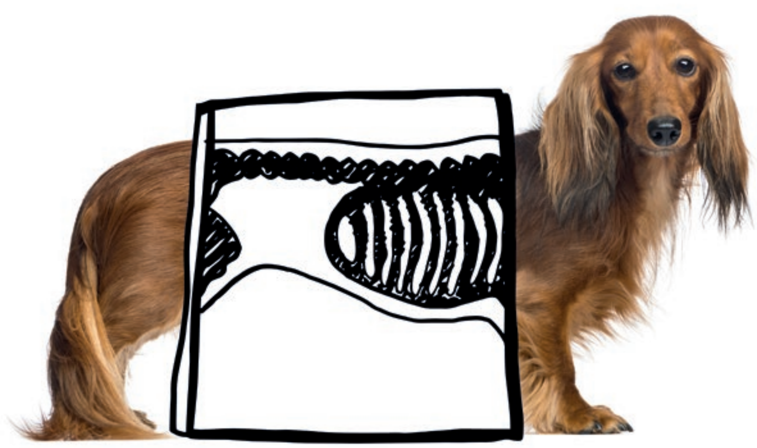
The outstanding options at the end of the year:

Shares over which options granted	2019 Grant 25.02.2019	2019 Grant 12.07.2019	2019 Grant 12.12.2019	2020 Grant 28.08.2020	All Grants of options
	£	£	£	£	
Original Grants	1,396,000	508,000	455,000	348,000	2,707,000
Forfeited during the year (leavers)	400,000	110,000	107,000	0	617,000
Outstanding at the end of the year	**996,000**	**398,000**	**348,000**	**348,000**	**2,090,000**

The involvement of the executives and employees in the employee share schemes:

Shares subject to options:	year to 31.03.2019	year to 31.03.2020	year to 31.03.2021
	£	£	£
Outstanding at the start of the year	–	1,396,000	2,094,000
Granted during the year	1,396,000	963,000	348,000
Forfeited during the year (leavers)	–	265,000	352,000
Exercised during the year	–	–	–
Expired or lapsed during the year	–	–	–
Outstanding at the end of the year	**1,396,000**	**2,094,000**	**2,090,000**



19. Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Leasehold 2021	Leasehold 2020
	£	£
Falling due:		
within one year	415,121	645,224
within two to five years	2,047,022	2,384,630
in over five years	10,466,860	3,600,992
	12,929,003	**6,630,846**

20. Profit and loss account

	2021	2020
	£	£
At 1 April	(4,362,958)	(1,975,145)
Loss for the financial year	(618,908)	(2,387,813)
At 31 March	**(4,981,866)**	**(4,362,958)**

21. Analysis of changes in net debt

	At 1.4.2020	Cash flow	New finance leases	At 31.3.2021
	£	£	£	£
Net cash				
Cash at bank and in hand	479,970	(3,487)	–	476,483
	479,970	**(3,487)**	**–**	**476,483**
Debt				
Finance leases	(879,765)	291,419	(296,371)	(884,717)
Bank loans	(95,833)	18,750	–	(77,083)
	(975,598)	**310,169**	**(296,371)**	**(961,800)**
Total	**(495,628)**	**306,682**	**(296,371)**	**(485,317)**

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22. Prior Period adjustment

The company renegotiated its property lease commitment after the year ended 31 March 2020, which was back dated to take effect from 25 March 2020. As a result the company reversed out the rent incentive accrual in the year ended 31 March 2020. As the new lease was signed after 31 March 2020, the 2020 figures have been restated to reinstate this accrual and recognise the rent charge in the year.

Increase in administration expenditure	£500,077
Increase in accruals	£500,077
Increase in loss for the year	£500,077
Decrease in net assets	£500,077

The company issued share options during the year ended 31 March 2020. The costs were not accounted for under FRS 102 section 26 in the prior year. A valuation has been carried at 31 March 2020 and the prior year figures restated to recognise the charge related to these share options.

Increase in administration expenditure	£47,340
Increase in share based payment reserve	£47,340

23. Presentation currency

The financial statements are presented in Sterling.

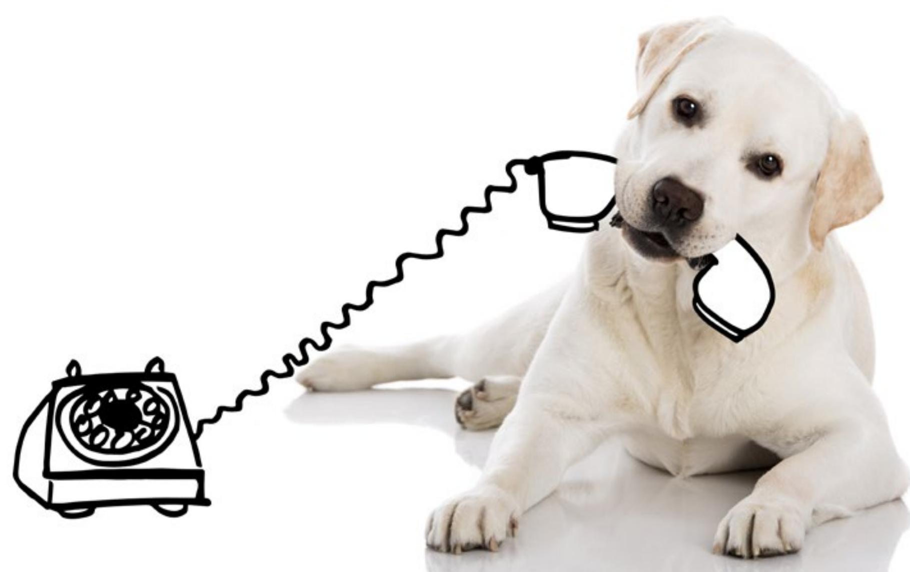
24. Legal form of entity and country of incorporation

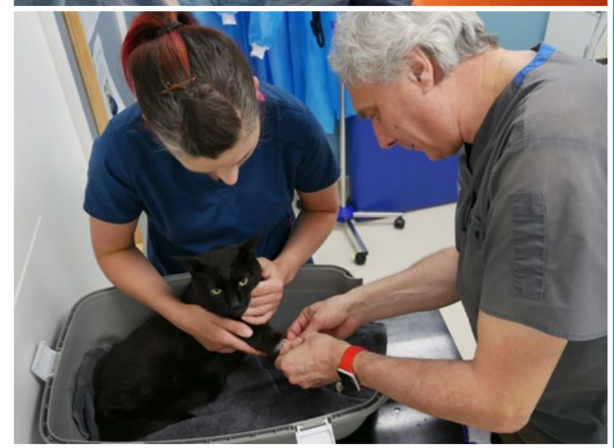
The Ralph Veterinary Referral Centre Plc is a public company limited by shares and incorporated in England and Wales.

23. Principal place of business

The address of the company's principal place of business and registered office is:

The Ralph
Fourth Avenue
Globe Business Park
Marlow
Buckinghamshire
SL7 1YG





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