

REFLECTING ON OUR
FIRST YEAR

The Ralph Veterinary Referral Centre Plc
Report & Accounts 2020





CHAIRMAN'S STATEMENT

The Chairman's Statement forms part of the Strategic Report

This is the first full year of trading since The Ralph commenced seeing patients in February 2019. As with all start-ups, The Ralph has had many challenges and it has been very much a process of taking calculated risks to meet the challenges of getting the hospital up and running. The Ralph now has 110 employees across a wide range of disciplines. It offers 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.

FINANCIAL PERFORMANCE

In its first full year of trading, The Ralph generated revenue in excess of £4.5M. This is an impressive performance for a start-up. COVID-19 caused a slowdown in caseload, and hence turnover, towards the end of the financial year and into the new financial year. However caseload and turnover has since bounced back strongly achieving levels higher than those pre the COVID-19 slowdown.

As one would expect for such a start-up, the first year's financial statements show a loss of £1.8m. Since the year-end, with the steady increase in caseload, increase in the number of practices and vets referring to The Ralph and the increase in service provision, The Ralph has continued to grow and make good progress towards profitability.

FUNDRAISING

At the end of 2019 The Ralph raised some £1.6m at 12.5p a share from existing and new shareholders. The fund raising was strongly supported, exceeding the initial target of £1m. The monies were raised to provide The Ralph with additional working capital and to fund future capital projects.

PROPERTY LEASE

Recently our lease that had 12.5 years remaining has been renegotiated with the landlord. A new 30-year lease has been granted which provides not only a significant rent incentive worth over £1M but also security and stability for the long term.



STRATEGIC PRIORITIES AND GROWTH INITIATIVES

The next financial year will be focussed on bedding in the culture and values from the founding vision of the hospital, recruiting and developing our staff, improving efficiency in systems & processes and the continuing implementation and maintenance of appropriate Corporate Governance.

The Ralph now has a full complement of specialists in all disciplines and is currently recruiting to build depth in the various disciplines to ensure sustainability of a 24-7-365 offering. In addition, the Board has sanctioned a number of capital projects to ensure that our specialists have access to the best equipment and The Ralph has the capacity to provide the best care possible to its patients.

IMPACT OF COVID-19

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

We continued to apply guidance from the Government, the Royal College of Veterinary Surgeons ('RCVS') and the British Veterinary Association ('BVA'). Following the Government's announcement on 23 March 2020, the RCVS/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 fortunately none of our people were affected. Post the lifting of the lockdown measures, we have gone back to seeing all elective cases referred to The Ralph, though we continue to only allow essential people into the building.

AGM

Due to the physical distancing rules with the COVID-19 pandemic, our AGM on this occasion, will be held using the Zoom platform. The AGM will take place on Thursday 24 September 2020 at 11:00am and 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 cover note accompanying the formal notice of the AGM.



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AUDITORS

The Ralph has grown rapidly in both size and complexity since it opened its doors to patients some 18 months ago. The Directors decided to undertake a tender of the audit contract going forward as a result of which Saffery Champness are being proposed as the Company's auditors at the forthcoming AGM. The Board would like to extend it's appreciation to Fairman Harris, the Company's previous auditors, for their work and help in supporting The Ralph in its development so far. Fairman Harris will continue to assist The Ralph in the preparation of the final accounts and with its tax returns.

DIRECTOR APPOINTMENT

We are pleased to welcome Andrew Zychowski as a Non-Executive Director. Andrew is a qualified chartered accountant and recently retired after a long career in the City advising a wide range of companies on various aspects including corporate governance. The Board believes he brings additional expertise to the Board for the benefit of our shareholders.

OUTLOOK

The Ralph operates in a sector with favourable market and consumer trends, with pet carers increasingly willing to spend money on their pets.

As a consequence of the fundraising, property lease renegotiation and Government assistance to business in response to the impact of COVID-19, The Ralph has been able to manage its cash resources as COVID-19 impacted the business. Provided that the bounce back in caseload in the new financial year is maintained, The Ralph should have enough cash to see itself through to the point where enough cash is consistently being generated from operations to cover its costs.

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-to-day, how we care for the patients we treat, and how we work with one another. I would 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



£4.5m

The Ralph generated in excess of £4.5m revenue in its first full year of trading

£1.6m

The Ralph raised some £1.6m at 12.5p a share, at the end of 2019

110

Team Ralph is now over 100 strong, including 35 vets



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 mid-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, marketing and administration. As at 31 July 2020 The Ralph had 110 team members.

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The Ralph offers 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, the nearest centres considered to be significant competitors are an hour's drive away.

WIDER VETERINARY SECTOR

The UK veterinary sector has seen ongoing purchases and consolidation of primary care practices by investors and corporate providers. 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 requisite specialism or capacity to see their patients in a timely manner.



BUSINESS PERFORMANCE

The Ralph is an ambitious start-up and this has been its first full year of operation since opening. As with all start-ups, The Ralph has had many challenges and it has been very much a process of taking calculated risks to meet the challenges of getting the hospital up and running. The next year will be focussed on bedding down the hospital with additional staff, sustainable systems & processes and maintaining the appropriate governance.

IMPACT OF COVID-19

Our primary focus is to protect the health and wellbeing of our team, whilst continuing to provide the very best care to our patients.

We continued to apply guidance from the Government, the Royal College of Veterinary Surgeons ('RCVS') and the British Veterinary Association ('BVA'). Following the Government's announcement on 23 March 2020, the RCVS/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 impact of these announcements caused a slow down in caseload and hence turnover growth towards the end of the financial year and into the new financial year. However, growth in caseload and turnover has since resumed following the lifting of the COVID-19 lockdown measures.

The lockdown measures of COVID-19 made it impossible to carry out a stock take at the year-end. A stock take was carried out in the middle of May and whilst it may be possible to roll back the stock figures to remove purchases since the year-end, it is impossible to assess what stock had been utilised since year-end. Hence, the value of stock as at the middle of May is assumed to be similar to that at the year-end with any differences not considered material.

The lockdown measures of COVID-19 also meant that recruitment of staff had to be slowed down for a few months. Since the beginning of June however, recruitment of interns, nurses, customer care team members and patient care assistants has recommenced. Most disciplines are now supported by more than one Diplomat and/or Advanced Practitioner with more clinicians due to join over the rest of this year.



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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 loss on ordinary activities of £1,840,396 (2019 £1,651,312).

A prior year adjustment has been required for the 2019 financial statements. Professional fees of £335,508 incurred for the conversion of the premises were incorrectly expensed through the Profit & Loss account when they should have been capitalised in the Balance Sheet.

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.

PRINCIPAL 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, ongoing 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.

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 continuing relationship building, support and care should create a strong foundation for the long-term success of The Ralph.

COVID-19 & BREXIT - IMPACT ON THE UK ECONOMY

The impact of the COVID-19 pandemic and Brexit are expected to cause a marked downturn in the economy. While this could have an impact on caseload and thus turnover, two of the key supporting factors for The Ralph are: the ongoing resilience and growth of the UK pet market; and the vast majority of The Ralph's turnover covered by insurance. While the Directors believe that during times of uncertainty, pets will continue to receive the very best care from their carers, the impact of these two major external influences could cause financial hardship for carers who may cancel their pet insurance leading to an increase in euthanasia and thus a drop in caseload/turnover. The Directors will continue to monitor this closely and take swift action as appropriate.

NO-DEAL BREXIT

The risks and impact of a no-deal Brexit are a major unknown and could affect the sourcing of drugs and consumables required for the smooth running of the hospital. The Veterinary Medicines Directorate (VMD) and the pharmaceutical industry have well-established procedures to deal with medicine shortages, working closely with those operating the supply chain to ensure that risks are minimised when they do arise. The government has also put in place a multi-layered approach to support the industry to reduce any supply disruption in veterinary medicines and have classified veterinary medicines as critical goods essential for the preservation of animal welfare. For the continued supply of consumables, The Ralph has had assurance from its main suppliers of substantial increased capacity and stockpiling in preparation for any disruption or delays in supply.

The Ralph employs veterinary surgeons, nurses and other members of staff who are citizens of other EU countries. There is therefore a risk that The Ralph has difficulty recruiting and retaining staff from other EU countries. In the short term, the Home Office indicating that citizens of other EU countries currently working in the UK will be allowed to continue to do so mitigates this risk. In the medium term, the current UK government having added veterinary surgeons to the Shortage Occupation List further mitigates the risk.

Iqbal Dhanji
Chairman of the Board

Approved by the Board on 2nd September 2020



OUR CORE VALUES

The Ralph is very much a passion-and-vision-driven hospital, founded on a strong organisational culture and an authentic set of core values.

We have seven core values (see balloon, right). These are what lie at the heart of who we are and what we do. They are vital to how The Ralph operates day-to-day, how we care for the patients we treat, and how we work with one another.

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OUR ETHOS

Our ethos is "the animals in our care, their human families, our people, our referring practices and our wider community will always be treated with respect, compassion, dignity, integrity and humility".

OUR MISSION

Our Mission is to set the standard for small animal referral veterinary care with an ethical conscience.

OUR TEAM

Our patients are treated by an experienced and dedicated team of clinicians, nurses and patient care assistants with a shared vision of providing excellent care with compassion. They are supported by like-minded non-clinical Ralphers.



WE CARE FOR
EVERY ANIMAL AS
WE WOULD OUR OWN
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



REFLECTING ON OUR FIRST YEAR

The Ralph opened a year ago after a five-year journey. You know when it feels like so much has happened yet in the blink of an eye? It's like that.

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I did not embark on The Ralph journey because of a long-held desire to run a large referral centre. I did so because of the belief that it was possible to create a hospital which, at its core, would be a little different from what I had known. To build an independent hospital with a focus on core values, culture and mission.

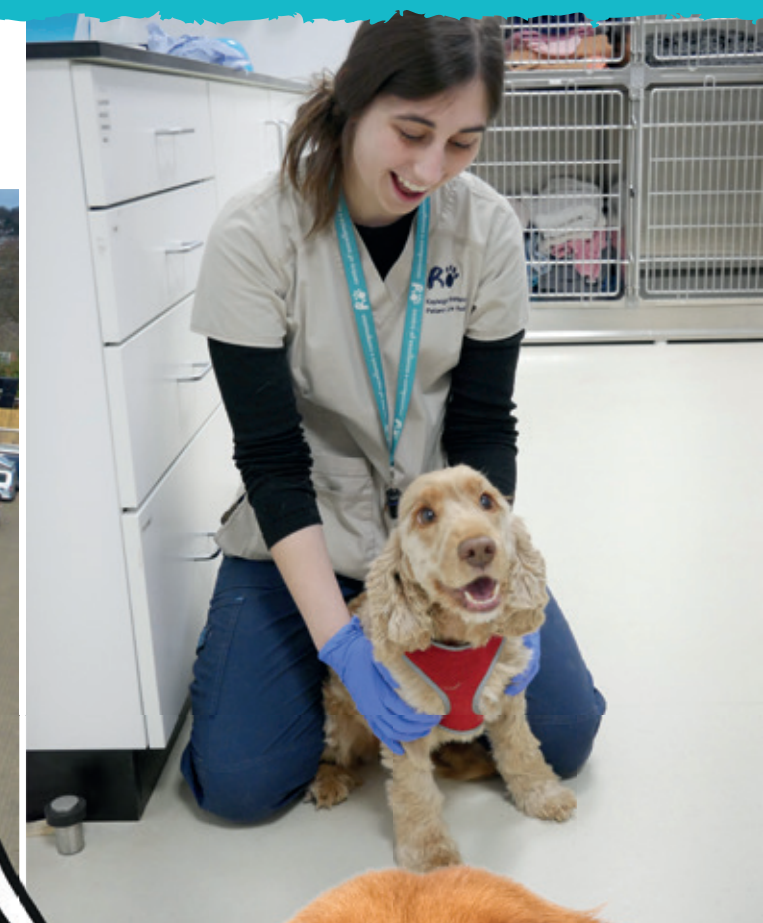
The Ralph is a new hospital. For a start-up of this scale, one year is still very much early days. Most of us are not used to being in a start-up. It is different and challenging especially with the growth. Yet throughout we have done our best to prioritise our patients, their carers, our referring community and Team Ralph. We are grateful for your belief in us and appreciate your patience, where we have fallen short.

As a first-time founder and CEO, what have I learned above all? Something obvious and yet easy to underestimate - it is all about people. Team Ralph will determine whether The Ralph becomes the hospital we intend it to be. Our operational progress moves in the right direction. As an independent start-up, our financial development moves slowly towards long-term security. Yet The Ralph was and is about more than that.

It is about continuing to work very hard to ensure that we embed the founding culture. A culture focused on compassion, empathy, patient safety, human wellbeing and ethical clinical practice. Embedding culture and ethos requires long-term effort from a team who share a vision. We are up for it.

Thank you once again for your support and your feedback over the last year. We look forward to continuing to improve as a centre of excellence.

Shailen Jasani
Founder, CEO and Clinical Director



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Once again, thank you so much for getting my trouble maker home to me!

Floss' carer



CASE STUDY

Floss the Cocker Spaniel

Our Emergency and Critical Care Service is one of the largest in the UK. With separate Dog and Cat Intensive Care Units, we are able to provide dedicated care to our critically ill patients 24-7-365.

One of our patients who has benefited from these facilities is **Floss**, a 3-year-old Cocker Spaniel, who was referred to our ECC Service in May 2019. She spent a total of twelve days in our Dog Intensive Care Unit (ICU), and received round the clock care and treatment.

Floss was referred to ascertain what was causing her pain, vomiting and lack of appetite. When Floss arrived, her abdomen (belly) was very painful. A physical exam of Floss showed she had lost weight and was suffering from dehydration. When examining the abdomen, we were suspicious of the presence of a foreign object. X-rays were taken which confirmed our suspicions. Floss underwent surgery with our Soft Tissue Surgery Team the following day to remove the foreign object from her intestines. Sadly, Floss wasn't quite out of the woods just yet.

Following her surgery Floss' abdomen was regularly assessed with ultrasound scans. These scans showed evidence of an excess collection of fluid in the abdominal cavity (free peritoneal effusion). When we sampled this fluid, it was found to contain bacteria and Floss was diagnosed with septic bacterial peritonitis (an inflammatory condition of the lining of the abdomen caused by bacterial infection).

Two days after her initial surgery, Floss underwent further surgery to remove a portion of her intestine to address the septic peritonitis. She returned to the ICU for consistent and close monitoring by our ECC team as she started her recovery.

Initially, Floss was doing really well. However, despite being eager to eat, she then started to regurgitate and feel nauseated. Her stomach and intestines were refusing to move normally (they were hypomotile). To help combat this Floss was prescribed multiple prokinetic medications (to promote gut movement) as well as anti-vomiting medications. She had controlled feeding via a feeding tube and we restarted small volumes of solid foods by mouth a few days later.

It was touch and go for a while but Floss eventually developed good gut sounds as her stomach and intestines started to move again. Some regurgitation remained but she seemed very well within herself becoming increasingly bright and playful.



AFTER BEING DISCHARGED

Feeling it would be more comfortable and kinder for Floss to finish her recovery at home, she was discharged a couple of days later.

Soon after Floss was discharged her carer (who works in veterinary practice) called us with an update to say:

“

I just wanted to give you a little update on how Flossie is doing. She hasn't been sick or regurgitated since yesterday and she's been toileting normally. Since I've had her home she's put on 500g! As you can see from the attached photos she's loving being back at work and despite having the run of the upstairs she still chooses to take herself off to her favourite kennel!



CASE STUDY

Vivian the Minature Schnauzer

Vivian, a very sweet 4-year-old Miniature Schnauzer, was rescued from a Welsh puppy farm in September 2019 by the charity Friends of Animals Wales. When in the safe hands of the rescue charity, it was apparent Vivian had an issue with her eyesight but the extent of Vivan's condition was not realised until she visited her local vets, Maes Glas Veterinary Group.

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Giving Vivian, a puppy farm survivor, the gift of sight wasn't just about restoring her vision. It was just as much about allowing her to become the dog she should have been. From one afraid of everything, she is at last walking on a lead and seeing the world for the first time.

Eileen Jones
Friends of Animals Wales



Vivian had cataracts in both eyes, causing complete blindness. The cataract in her right eye was particularly bad as it had been left untreated for such a long time; a result of the neglect of living on a puppy farm.

Vivian was referred to Heidi Featherstone, Head of Ophthalmology, for specialist care. Heidi examined Vivian, and found the cataract in Vivian's right eye to be a Morgagnian cataract – this very advanced and 'over-ripe' cataract can also be found in humans, typically in remote and rural areas of the world with very limited medical help.

Fortunately cataracts can be treated, and vision restored in suitable cases. The cataracts were removed by Heidi, using the standard technique in veterinary ophthalmology and in people – phacoemulsification. The surgery is performed through a small incision to the eye, with the aid of an operating microscope. The cataract (cloudy lens) was removed in each eye, and an artificial lens implant was placed.

At her second post-operative check-up, Vivian was making very good progress. The eyes were healing well from the surgery, and it was clear to see she was enjoying her restored vision.

Vivian is currently fostered by a wonderful family in Wales, and once she is fully recovered she will be available for adoption.

Top: Vivian with our Customer Care Team Member, Izzy.

Bottom: Heidi, our Head of Ophthalmology, assessing Vivian's eyes during her recent check-up.



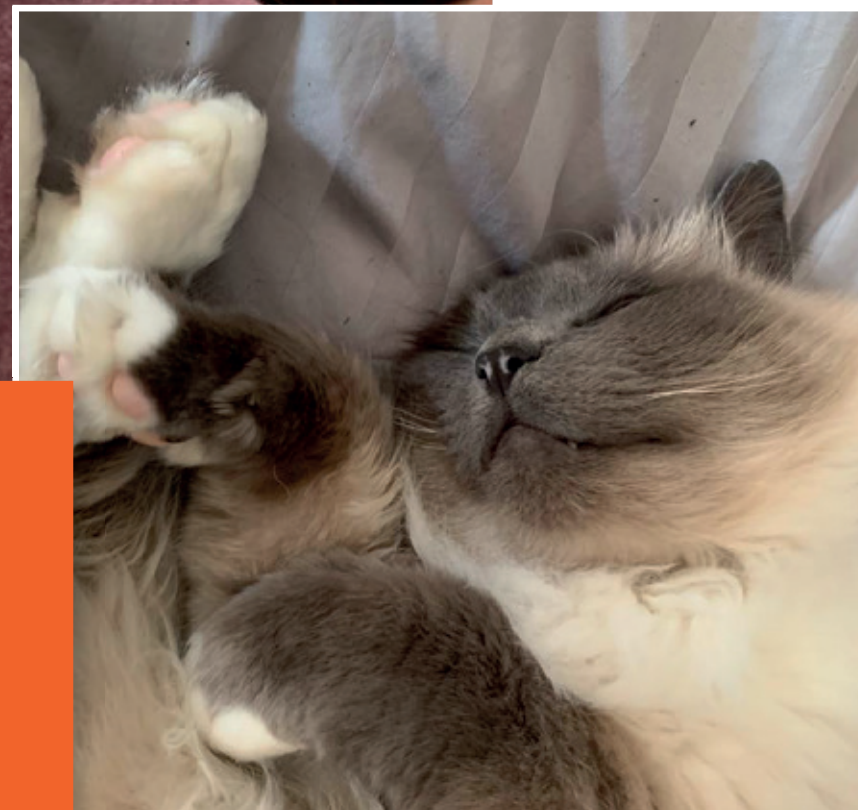
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The Ralph and all its staff are heroes to me. I cannot praise them enough.

Alison
Atticus' carer



CASE STUDY

Atticus the Birman cat

This time last year, Atticus, my Birman cat, should have died. He was critically ill with an intestinal blockage. My own vet did not think he would survive the journey to The Ralph. But from the moment we arrived, both Atticus and I received the very best of care.

All of the staff were exceptional, from the lovely, caring receptionist, to the nurses and the vets, especially the wonderful Kim Chong, ECC Diplomat. Nothing was too much trouble.

In the early days when everything was touch and go, I really appreciated the dedicated treatment Atticus received. At all stages of his treatment, both night and day, I was kept informed of his progress. In fact, I am sure that Kim also took the trouble to keep in touch even after her working day had finished!

Miraculously, a month later Atticus made a complete recovery, and apart from having multiple shavings of his fur, you would not know he had been so critically ill. On subsequent visits to my own vet, I was informed that the surgery and treatment that Atticus received was of a technical level beyond that of normal veterinary skills. Two of my own children are doctors and they commented how the treatment Atticus received is available in only the most well equipped intensive care units in the NHS!

I will forever be grateful to all the staff at The Ralph. Atticus brings me so much joy and happiness. He brightens up every day for me and no-one can snuggle like him in bed! I know for certain that my children come back home to visit Atticus as much as to see me! I am so lucky that Atticus was one of the first patients to receive exceptional care from The Ralph. Had he been taken ill a few weeks earlier I have no doubt he would not have survived.

Alison
Atticus' carer



DIRECTORS' REPORT

The Directors present their report and financial statements for the year ended 31 March 2020.

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](#)

(Appointed on 14 January 2020)

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 2 September 2020 and signed on its behalf.

[Iqbal Dhanji](#)
Director





INDEPENDENT AUDITORS REPORT



THE RALPH WE DOGS



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OPINION

We have audited the financial statements of The Ralph Veterinary Referral Centre Plc for the year ended 31 March 2020 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 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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matters described in the Basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS OF OPINION

Due to COVID-19 lockdown measures, the Company could not carry out stock take at the year-end and included an estimated figure based on the stock take carried out in May 2020. The Directors are of the opinion that the value of stock as at 31 March 2020 is not materially different from the value of stock in May 2020. Owing to the nature of the Company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock quantities by using other audit procedures.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.





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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement, 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.

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.

F Meghani
Senior Statutory Auditor

For and on behalf of **Fairman Harris London**
Accountants and Statutory Auditors

Third Floor North
224-236 Walworth Road
London SE17 1JE





INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020	2019
		£	£
Turnover	2	4,561,889	288,149
Cost of sales		(4,130,659)	(577,451)
Gross profit/(loss)		431,230	(289,302)
Administrative expenses		(2,202,617)	(1,369,617)
Operating loss	3	(1,771,387)	(1,658,919)
Profit on sale of fixed assets		–	4,505
Interest receivable		–	6,887
Interest payable	5	(69,009)	(3,785)
Loss on ordinary activities before taxation		(1,840,396)	(1,651,312)
Tax on loss on ordinary activities	6	–	–
Loss for the financial year		(1,840,396)	(1,651,312)

STATEMENT FOR COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020	2019
		£	£
Loss for the financial year		(1,840,396)	(1,651,312)
Other comprehensive income		–	–
Total comprehensive income for the year		(1,840,396)	(1,651,312)

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020	2019
		£	£
Fixed assets			
Tangible assets	7	3,639,360	4,007,313
Current assets			
Stocks	8	216,591	–
Debtors	9	592,675	495,813
Cash at bank and in hand		479,970	152,296
		1,289,236	648,109
Creditors:			
Amounts falling due within one year	10	(1,052,448)	(1,184,077)
Net current assets/(liabilities)		236,788	(535,968)
Total assets less current liabilities		3,876,148	3,471,345
Creditors:			
Amounts falling due after more than one year	11	(831,599)	(925,175)
Net assets		3,044,549	2,546,170
Capital and reserves			
Called up share capital	13	118,994	98,028
Share premium	14	6,741,096	4,423,287
Profit and loss account	16	(3,815,541)	(1,975,145)
Total equity		3,044,549	2,546,170

Iqbal Dhanji
Director

Approved by the Board on 2 September 2020



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STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

Notes	Share Capital	Share Premium	Profit & Loss Account	Total
	£	£	£	£
At 1 April 2018	74,533	2,131,382	(323,833)	1,882,082
Loss for the financial year			(1,986,820)	(1,986,820)
Shares issued	23,495	2,291,905		2,315,400
At 31 March 2019	98,028	4,423,287	(2,310,653)	2,210,662
Correction of prior year errors 18			335,508	335,508
At 1 April 2019	98,028	4,423,287	(1,975,145)	2,546,170
Loss for the financial year			(1,840,396)	(1,840,396)
Shares issued	20,966	2,317,809		2,338,775
At 31 March 2020	118,994	6,741,096	(3,815,541)	3,044,549



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

Notes	2020	2019
	£	£
Operating activities		
Loss for the financial year	(1,840,396)	(1,651,312)
Adjustments for:		
Profit on sale of fixed assets	–	(4,505)
Interest receivable	–	(6,887)
Interest payable	69,009	3,785
Depreciation	322,460	323,093
Increase in stocks	(216,591)	–
Increase in debtors	(96,862)	(593,282)
(Decrease)/increase in creditors	(72,550)	248,711
	(1,834,930)	(1,680,397)
Interest received	–	6,887
Interest paid	(23,827)	(3,785)
Interest element of finance lease payments	(45,182)	–
Cash used in operating activities	(1,903,939)	(1,677,295)
Investing activities		
Payments to acquire tangible fixed assets	(270,818)	(4,033,459)
Proceeds from sale of tangible fixed assets	316,311	45,046
Cash generated by/(used in) investing activities	45,493	(3,988,413)
Financing activities		
Proceeds from the issue of shares	2,338,775	2,315,400
Repayment of loans	(25,000)	120,833
Capital element of finance lease payments	(127,655)	1,007,420
Cash generated by financing activities	2,186,120	3,443,653
Net cash generated/(used)		
Cash used in operating activities	(1,903,939)	(1,677,295)
Cash generated by/(used in) investing activities	45,493	(3,988,413)
Cash generated by financing activities	2,186,120	3,443,653
Net cash generated/(used)	327,674	(2,222,055)
Cash and cash equivalents at 1 April	152,296	2,374,351
Cash and cash equivalents at 31 March	479,970	152,296
Cash and cash equivalents comprise:		
Cash at bank	479,970	152,296



NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

1. Summary of significant accounting policies



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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.

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 sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs..

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.

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 (i.e. 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.

PENSIONS

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



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2. Analysis of turnover

	2020	2019
	£	£
Services rendered	4,561,889	288,149
	4,561,889	288,149
By geographical market:		
UK	4,561,889	288,149

3. Operating profit

	2020	2019
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	322,460	323,093
Cost of drugs and consumables utilised	650,893	113,118

4. Staff costs

	2020	2019
	£	£
Wages and salaries	3,001,975	480,978
Social security costs	324,056	45,319
Other pension costs	59,751	5,020
	3,385,782	532,317

The above costs include both direct and indirect staff costs. The amounts in the previous accounts for the year ended 31.03.2019 included indirect costs only.

Average number of employees during the year	Number	Number
	82	53

5. Interest payable

	2020	2019
	£	£
Bank loans	23,827	2,421
Finance charges payable under finance leases and hire purchase contracts	45,182	1,364
	69,009	3,785

6. Taxation

	2020	2019
	£	£
Analysis of charge in period		
Tax on profit on ordinary activities	-	-

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:

	2020	2019
	£	£
Loss on ordinary activities before tax	(1,840,396)	(1,651,312)
Standard rate of corporation tax in the UK	19%	19%
Profit on ordinary activities multiplied by the standard rate of corporation tax	(349,675)	(313,749)
Effects of: Losses in the period	349,675	313,749
Current tax charge for period	-	-



NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

7. 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 2019	3,416,132	789,358	121,732	4,327,222
Additions	49,522	175,125	46,171	270,818
Disposals	(257,683)	(58,628)	–	(316,311)
At 31 March 2020	3,207,971	905,855	167,903	4,281,729
Depreciation				
At 1 April 2019	202,025	86,461	31,423	319,909
Charge for the year	211,875	84,282	26,303	322,460
At 31 March 2020	413,900	170,743	57,726	642,369
Carrying amount				
At 31 March 2020	2,794,071	735,112	110,177	3,639,360
At 31 March 2019	3,214,107	702,897	90,309	4,007,313

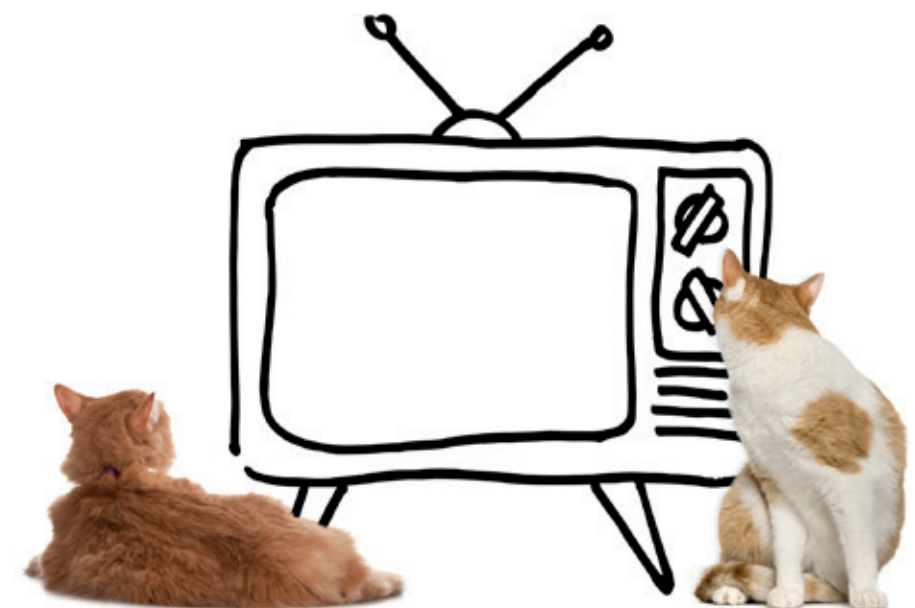
	2020	2019
	£	£
Carrying value of plant and machinery included above held under finance leases and hire purchase contracts	670,448	634,850

8. Stocks

	2020	2019
	£	£
Drugs and consumables	216,591	–

9. Debtors

	2020	2019
	£	£
Trade debtors	318,081	146,279
Other debtors	250,000	293,284
Prepayments and accrued income	24,594	56,250
	592,675	495,813





NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

10. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans	25,000	25,000
Obligations under finance lease and hire purchase contracts	118,999	178,078
Trade creditors	310,516	721,403
Investment advances	–	70,000
Other taxes and social security costs	214,250	59,274
Accruals and deferred income	126,998	384,306
Other creditors	256,685	(253,984)
	1,052,448	1,184,077

11. Creditors: amounts falling due after one year

	2020	2019
	£	£
Bank loans	70,833	95,833
Obligations under finance lease and hire purchase contracts	760,766	829,342
	831,599	925,175

12. Obligations under finance leases and hire purchase contracts

	2020	2019
	£	£
Amounts payable:		
Within one year	118,999	178,078
Within two to five years	760,766	829,342
	879,765	1,007,420

13. Share capital

	Nominal value	2020 Number	2020	2019
			£	£
Allotted, called up and fully paid: Ordinary shares	£0.001 each	118,994,000	118,994	98,028

14. Share premium

	2020	2019
	£	£
At 1 April	4,423,287	2,131,382
Shares issued	2,317,809	2,291,905
At 31 March	6,741,096	4,423,287



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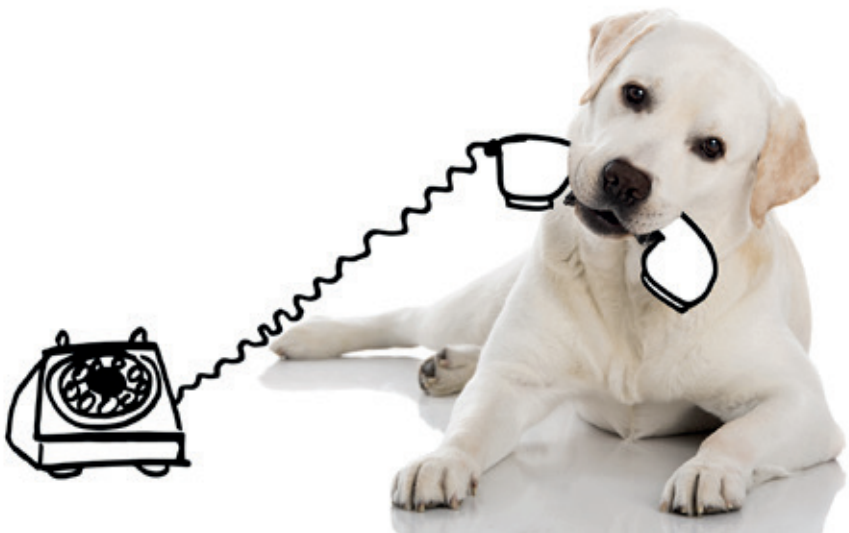
15. Other financial commitments

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

Leasehold Land & Buildings		
	2020	2019
	£	£
Falling due:		
within one year	225,000	249,349
within two to five years	1,575,000	1,748,527
in over five years	10,687,500	4,050,000
	12,487,500	6,047,876

16. Profit and loss account

	2020	2019
	£	£
At 1 April	(1,975,145)	(323,833)
Loss for the financial year	(1,840,396)	(1,651,312)
At 31 March	(3,815,541)	(1,975,145)



17. Related Party transactions

During the year, The Ralph Project Ltd, a company controlled by Iqbal Dhanji and Shailen Jasani, provided management services of £287,167 (2019: £135,000) to the Company.

18. Prior year adjustment

The costs for improvements to the leasehold building for the prior year have been corrected as these were wrongly recognised as professional fees in the previous year.

19. Presentation currency

The financial statements are presented in Sterling.

20. 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.

21. 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



theralph.vet



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