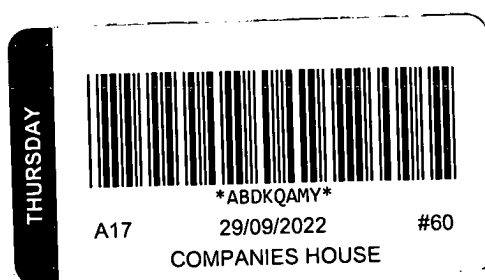


Registered number: 08368484

## **BBI RESOURCES LIMITED**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



## **BBI RESOURCES LIMITED**

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**BBI RESOURCES LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

R G A Couzens  
M P Gualano

**REGISTERED NUMBER**

08368484

**REGISTERED OFFICE**

C/O Berry Smith LLP  
Haywood House  
Dumfries Place  
Cardiff  
CF10 3GA

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
One Kingsway  
Cardiff  
CF10 3PW

## **BBI RESOURCES LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present the Strategic Report of BBI Resources Limited (the "Company") for the year ended 31 December 2021.

#### **BUSINESS REVIEW**

All UK based employees of the BBI Solutions Group Limited group ("BBI Group") with the exception of certain directors are employed by the Company and the Company recharges the cost of staff to the other BBI Group companies.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk to the Company is regarding the non-compliance with employment law and regulations. To mitigate this risk the Company ensures that it keeps up to date with all relevant employment laws and complies with their requirements.

#### **FINANCIAL KEY PERFORMANCE INDICATORS**

As the Company provides the staff resourcing for the BBI Group and is intended to breakeven each year, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company.

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



**R G A Couzens**  
Director

Date: 8 June 2022

## **BBI RESOURCES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their annual report and the audited financial statements of BBI Resources Limited (the "Company") for the year ended 31 December 2021.

#### **Principal activities**

All UK based employees of the BBI Group are held within the Company with the exception of certain directors within the BBI Group. The Company administers the staffing requirements of the BBI Group.

#### **Results and dividends**

The loss for the financial year amounted to £64,000 (2020: loss £33,000).

The directors do not recommend the payment of a dividend (2020: £Nil).

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were:

R G A Couzens  
M P Gualano

#### **Going concern**

The Company has net liabilities of £305,000 (2020: £241,000). The Company is a subsidiary of BBI Solutions Group Limited (the "Group"). The Group is financed through bank and shareholder debt and the Group is profitable at EBITDA level and cash generative from its operating activities.

The Group has successfully refinanced borrowing facilities as part of the acquisition of BBI Group Holdco Limited in 2021. The new facilities comprise of a £130m Unitranche multicurrency facility, a £30m Acquisition/Capex facility and a £10m Super Senior Revolving Facility. The Group's forecasts show that is expected to be profitable at an EBITDA level and cash generative from its operational activities for the foreseeable future and that the Group has the ability to remain within its committed lending facilities. The projections have also been assessed against what it considered a reasonable downside risk scenario and the adjusted projection continues to show that the Group has the ability to remain within its committed lending facilities. Therefore, the directors have prepared the financial statements on a going concern basis.

#### **Future developments**

The Company will continue to administer the staffing requirements for the BBI Group for the foreseeable future.

#### **COVID-19**

The uncertainty around the COVID-19 pandemic continued into 2021 at varying levels around the world. We continue to monitor the global situation and continually review and adjust our policies based on the latest available information.

#### **Financial risk management**

The Company's activities expose it to credit risk:

##### **Credit risk**

The Company's financial assets are bank balances and cash. The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by appropriate credit-rating agencies.

## **BBI RESOURCES LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

#### **Directors' confirmations**

In case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

The financial statements on pages 8 to 20 were approved by the Board of Directors on 8 June 2022 and signed on its behalf by:

*Richard Couzens*

**R G A Couzens**  
Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BBI RESOURCES LIMITED**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, BBI Resources Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

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

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BBI RESOURCES LIMITED (CONTINUED)**

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

*Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

**Responsibilities for the financial statements and the audit**

*Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

*Auditors' responsibilities for the audit of the financial statements*

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

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

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Evaluation of the adequacy of the design of management's controls to prevent and detect irregularities;
- Enquiry of group management around known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of minutes of meetings of those charged with governance; and
- Identifying and testing the validity of journal entries, in particular any journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.



## **BBI RESOURCES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BBI RESOURCES LIMITED (CONTINUED)**

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

**KE FM**

Katharine Finn (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cardiff

Date: 10 June 2022

**BBI RESOURCES LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Turnover	5	15,816	14,087
Cost of sales		(15,816)	(14,087)
<b>Gross result</b>		-	-
Administrative expenses		(45)	(45)
<b>Operating loss</b>		(45)	(45)
Finance costs	9	(11)	-
<b>Loss before taxation</b>		(56)	(45)
Tax on loss	10	(8)	12
<b>Loss for the financial year</b>		(64)	(33)

There was no other comprehensive income for 2021 (2020: £Nil).

The notes on pages 11 to 21 form part of these financial statements.

**BBI RESOURCES LIMITED**  
**REGISTERED NUMBER: 08368484**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
<b>Current assets</b>			
Debtors	11	664	159
Cash at bank and in hand	12	351	44
		<u>1,015</u>	<u>203</u>
Creditors: amounts falling due within one year	13	(963)	(444)
<b>Net current assets/(liabilities)</b>		<u>52</u>	<u>(241)</u>
<b>Total assets less current liabilities</b>		<u>52</u>	<u>(241)</u>
Creditors: amounts falling due after more than one year	14	(357)	-
<b>Net liabilities</b>		<u>(305)</u>	<u>(241)</u>
<b>Capital and reserves</b>			
Called up share capital	16	-	-
Profit and loss account	17	(305)	(241)
<b>Total shareholders' deficit</b>		<u>(305)</u>	<u>(241)</u>

The financial statements on pages 8 to 21 were approved by the board and were signed on its behalf by:

*Richard Couzens*

**R G A Couzens**  
 Director

Date: 8 June 2022

The notes on pages 11 to 21 form part of these financial statements.

**BBI RESOURCES LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total shareholders' deficit £000</b>
<b>At 1 January 2020</b>	-	(208)	(208)
<b>Comprehensive expense for the financial year</b>			
Loss for the financial year	-	(33)	(33)
<b>Total comprehensive expense for the financial year</b>	-	(33)	(33)
<b>At 31 December 2020 and 1 January 2021</b>	-	(241)	(241)
<b>Comprehensive expense for the financial year</b>			
Loss for the financial year	-	(64)	(64)
<b>Total comprehensive expense for the financial year</b>	-	(64)	(64)
<b>At 31 December 2021</b>	-	(305)	(305)

The notes on pages 11 to 21 form part of these financial statements.

## **BBI RESOURCES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **1. GENERAL INFORMATION**

BBI Resources Limited (the "Company") administers the staffing requirements of the BBI Group. The Company is a private Company limited by shares and is incorporated in the United Kingdom and domiciled in England and Wales. The address of its registered office is C/O Berry Smith LLP, Haywood House, Dumfries Place, Cardiff, CF10 3GA.

All UK based employees of the BBI Group are held within the Company with the exception of certain directors within the BBI Group.

#### **2. STATEMENT OF COMPLIANCE**

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

#### **3. ACCOUNTING POLICIES**

##### **3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 4).

The following principal accounting policies have been applied consistently throughout the year:

##### **3.2 RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption, under FRS 102 paragraph 33.2, from disclosing transactions with members of the same group that are wholly owned.

##### **3.3 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of BBI Solutions Group Limited as at 31 December 2021 and these financial statements may be obtained from C/O Berry Smith LLP, Haywood House, Dumfries Place, Cardiff, CF10 3GA.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. ACCOUNTING POLICIES (CONTINUED)**

**3.4 GOING CONCERN**

The Company has net liabilities £305,000 (2020: £241,000). The Company is a subsidiary of BBI Solutions Group Limited (the "Group"). The Group is financed through bank and shareholder debt and the Group is profitable at EBITDA level and cash generative from its operating activities.

The Group has successfully refinanced borrowing facilities as part of the acquisition of BBI Group Holdco Limited in 2021. The new facilities comprise of a £130m Unitranche multicurrency facility, a £30m Acquisition/Capex facility and a £10m Super Senior Revolving Facility. The Group's forecasts show that is expected to be profitable at an EBITDA level and cash generative from its operational activities for the foreseeable future and that the Group has the ability to remain within its committed lending facilities. The projections have also been assessed against what it considered a reasonable downside risk scenario and the adjusted projection continues to show that the Group has the ability to remain within its committed lending facilities. Therefore, the directors have prepared the financial statements on a going concern basis.

**3.5 TURNOVER**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover comprises revenue recognised by the Company in respect of salary recharges to other Companies within the BBI Group.

**3.6 DEBTORS**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**3.7 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

**3.8 CREDITORS**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. ACCOUNTING POLICIES (CONTINUED)**

**3.9 FINANCIAL INSTRUMENTS**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

*(i) Financial assets*

Basic financial assets, including other debtors, amounts owed by group undertakings and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

*(ii) Financial liabilities*

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as Creditors: amounts falling due within one year if payment is due within one year or less. If not, they are presented as Creditors: amounts falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

*(iii) Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. ACCOUNTING POLICIES (CONTINUED)**

**3.10 FINANCE COSTS**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**3.11 EMPLOYEE BENEFITS**

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

*(i) Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

*(ii) Defined contribution plans*

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

*(iii) Annual bonus plan*

The Company operates a discretionary bonus plan for employees. An expense is recognised in the Statement of Comprehensive Income when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. ACCOUNTING POLICIES (CONTINUED)**

**3.12 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

**3.13 EXCEPTIONAL ITEMS**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**3.14 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**4. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Recoverability of amounts owed by group undertakings**

Determining the recoverability of debts owed by group undertakings requires an assessment of the future financial performance of the subsidiaries. The value of the amounts owed by group undertakings are £359,000 (2020: £138,000). No provision was required (2020: £Nil).

**5. TURNOVER**

The whole of the turnover is attributable to the principal activity of the Company.

All turnover arose within the United Kingdom.

**6. AUDITORS' REMUNERATION**

	<b>2021 £000</b>	<b>2020 £000</b>
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	<b>7</b>	<b>7</b>
<b>FEES PAYABLE TO THE COMPANY'S AUDITORS IN RESPECT OF:</b>		
Accounting related services	<b>3</b>	<b>2</b>
Tax compliance services	<b>3</b>	<b>3</b>
	<b>6</b>	<b>5</b>

## BBI RESOURCES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 7. EMPLOYEES

Staff costs were as follows:

	2021 £000	2020 £000
Wages and salaries	13,779	12,322
Social security costs	1,419	1,198
Other pension costs	618	567
	<u>15,816</u>	<u>14,087</u>

All staff costs relate to staff contracted by BBI Resources Limited, BBI Group Holding Limited or Baduhenna Bidco Limited, but are utilised by other Companies within the BBI Group. As such, costs associated with relevant staff are recharged to the relevant Company.

As none of the above staff costs relate to the activities of BBI Resources Limited; no staff numbers have been disclosed. The staff numbers are disclosed within the entities where the individuals provide services.

#### 8. DIRECTORS' REMUNERATION

The directors of the Company hold employment contracts with other group Companies.

The total emoluments of the directors are disclosed within BBI Solutions Group Limited financial statements. Whilst this Company recognises the remuneration for the directors who are contracted by this Company, this is subsequently recharged to other trading companies within the Group, via a management recharge, for the services that they perform. Therefore, it is not possible to apportion emoluments across the various group Companies.

#### 9. FINANCE COSTS

	2021 £000	2020 £000
Interest on intercompany loans	<u>11</u>	<u>-</u>

**BBI RESOURCES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****10. TAX ON LOSS**

	<b>2021 £000</b>	<b>2020 £000</b>
<b>CORPORATION TAX</b>		
Current tax on loss for the financial year	-	-
<b>TOTAL CURRENT TAX</b>	<u>-</u>	<u>-</u>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	11	(11)
Effect of changes in tax rates	(3)	(1)
<b>TOTAL DEFERRED TAX</b>	<u>8</u>	<u>(12)</u>
<b>TOTAL TAX</b>	<u>8</u>	<u>(12)</u>
<b>FACTORS AFFECTING TAX CHARGE/(CREDIT) FOR THE YEAR</b>		

The tax assessed for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are explained below:

	<b>2021 £000</b>	<b>2020 £000</b>
Loss before taxation	<u>(56)</u>	<u>(45)</u>
Loss before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(11)	(9)
<b>EFFECTS OF:</b>		
Tax rate changes	(3)	(1)
Group relief	22	(2)
<b>TOTAL TAX CHARGE/(CREDIT) FOR THE FINANCIAL YEAR</b>	<u>8</u>	<u>(12)</u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

In the Spring Budget 2021, the government announced that from 1 April 2023 the headline corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% has been substantively enacted at the Balance Sheet date, its effects are included in these financial statements.

**BBI RESOURCES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****11. DEBTORS**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	1	-
Amounts owed by group undertakings	359	138
Other debtors	264	1
Deferred taxation (note 15)	11	19
Prepayments and accrued income	29	1
	<u>664</u>	<u>159</u>

Amounts owed by group undertakings are unsecured, do not attract interest and are repayable on demand.

**12. CASH AT BANK AND IN HAND**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	<u>351</u>	<u>44</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	4	6
Amounts owed to group undertakings	532	2
Taxation and social security	413	422
Accruals and deferred income	14	14
	<u>963</u>	<u>444</u>

Amounts owed to group undertakings are unsecured, do not attract interest and are repayable on demand.

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	<u>357</u>	<u>-</u>

Amounts owed to group undertakings are unsecured, attract an interest rate of 8% per annum and are repayable in August 2028 or as demanded by the borrower.

**BBI RESOURCES LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****15. DEFERRED TAXATION**

	<b>2021 £000</b>
At beginning of year	<b>19</b>
Charged to the profit or loss	<b>(8)</b>
<b>AT END OF YEAR</b>	<b>11</b>

The deferred tax asset is made up as follows:

	<b>2021 £000</b>	<b>2020 £000</b>
Short term timing differences	<b>11</b>	<b>19</b>

**16. CALLED UP SHARE CAPITAL**

	<b>2021 £</b>	<b>2020 £</b>
<b>Allotted, called up and fully paid</b>		
1 (2020: 1) Ordinary share of £1 (2020: £1)	<b>1</b>	<b>1</b>

**17. RESERVES****Profit and loss account**

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

**18. PENSION COMMITMENTS**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £618,000 (2020: £567,000). At the year end £93,000 (2020: £104,000) of pension costs are included within creditors.

## **BBI RESOURCES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent company is BBI Diagnostics Group Limited, which is incorporated in England and Wales. BBI Diagnostics Group Limited is ultimately owned and controlled by BBI Solutions Group Limited, a company incorporated in England and Wales.

BBI Solutions Group Limited is controlled by Novo Holdings A/S. Novo Holdings A/S is ultimately owned by Novo Norsk Foundation.

BBI Solutions Group Limited is the smallest company in the Group which prepares financial statements. Copies of the consolidated financial statements can be obtained from the Company Secretary at C/O Berry Smith LLP, Haywood House, Dumfries Place, Cardiff, CF10 3GA.

Novo Nordisk Foundation is the largest company in the Group which prepares consolidated financial statements. Copies of the consolidated financial statements of Novo Nordisk Foundation can be obtained at Novo Nordisk Foundation, Tuborg Havnevej 19, DK-2900 Hellerup, Municipality of Gentofte, Denmark.