

**IDH Limited**  
**Company Number 00243708**

**Annual report and financial statements - 31 March 2023**



**IDH Limited**  
**Contents**  
**For the year ended 31 March 2023**

Strategic report	2
Directors' report	8
Independent auditors' report to the members of IDH Limited	11
Statement of comprehensive income	14
Balance sheet	15
Statement of changes in equity	16
Notes to the financial statements	17

**IDH Limited**  
**Strategic report**  
**For the year ended 31 March 2023**

The directors present the Strategic report for the year ended 31 March 2023.

**Principal activities**

The principal activity of the company is the provision of NHS dental services.

**Business review**

***Review of the development and performance of the company***

The majority of the company's revenue was derived from fixed income contracts with the NHS Region. The fixed income nature of the contracts provide the company with stability and visibility over its revenue and profit streams.

Turnover for the year was £37,123,000 (2022: £45,867,000). Operating profit for the year was £1,597,000 (2022: £2,355,000). The profit for the financial year was £1,821,000 (2022: £4,339,000).

The net assets of the company as at 31 March 2023 was £12,451,000 (2022: £10,630,000).

The company holds investments in the subsidiaries of the {my}dentist group as well as controls a number of partnerships. There has been no change in the value of the investments, £1,526,000, in the year ending 31 March 2023 (2022: £1,526,000).

During the year the company sold five dental practices, closed two practices and merged two existing practices (2022: closed two practices).

The company is a member of the group of companies headed by Turnstone Equityco 1 Limited ('the group'). The principal activities of the group are the operation of dental practices and the provision of materials, services and equipment to dental practices. The company is managed on a day to day basis as a trading company within the mydentist group. The business review for the group can be found in the financial statements of Turnstone Equityco 1 Limited.

***Strategy and future outlook***

The directors believe that the company continues to be well positioned to take advantage of further opportunities within the market, however there is likely to be a period of consolidation before growth recommences.

***Principal risks and uncertainties***

The company's risks and uncertainties are integrated with the principal risks and uncertainties of the group. Accordingly, the principal risks and uncertainties of Turnstone Equityco 1 Limited, which includes those of the company, are discussed in the Strategic report in the financial statements of Turnstone Equityco 1 Limited which does not form part of this report.

The consolidated financial statements of Turnstone Equityco 1 Limited are publicly available and may be obtained from the Company Secretary, Turnstone Equityco 1 Limited, Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.

***Clinicians and other qualified staff***

The company requires skilled clinicians, hygienists and nurses in order to care for its patient base. The expansion of the European Union ('EU') over recent years and, until recently, the increased capacity of UK dental schools increased the supply of clinicians available to the company. The company has also significantly invested in increasing the recruitment capabilities of the company in order to attract new and retain existing clinicians. The directors recognise the importance of quality clinicians and their self-employed status for ensuring the continued success of the company. The company manages the risk associated with the supply of clinicians through offering access and subscription to training and development programmes to enhance retention. Due to factors which have resulted in a decrease in UDA delivery rates over recent years, the company continues to work to recruit additional clinicians in order to deliver its NHS contracts and to develop the provision of private dentistry including {my}options. In addition, the UK's withdrawal from membership of the EU may impact the supply of clinicians in future but could also open up alternative recruitment options through changes in immigration regulations. The company continues to monitor developments.

**IDH Limited**  
**Strategic report**  
**For the year ended 31 March 2023**

**Business review (continued)**

***Clinicians and other qualified staff (continued)***

The most common method for a practice owner of engaging with clinicians in the dental industry is for the clinician to operate as a self-employed associate dentist. This enables dentists to retain their clinical freedom over the appropriate course of treatment for patients, to develop their interests in specific specialities by having the flexibility to work across different practices and to have control of the amount they can earn through the hours they make available for appointments. In return, they contribute to the running costs of the practice and are responsible for a share of the laboratory costs relating to their treatment plans. This method of engagement has been recognised historically as the normal approach for the industry through the use of a model contract developed by the British Dental Association (BDA). HMRC have published guidance that confirms if an associate is engaged on the terms of the model contract and the terms are followed, then the associate can consider themselves to be self-employed. The company utilises the model contract developed by the BDA as its basis of engagement with dentists and has clear policies and procedures about how associates work with employed practice teams.

In common with many industries where self-employed individuals are utilised widely, HMRC have undertaken an industry-wide review of the engagement terms used and the way these terms are applied in practice. From April 2023, HMRC have withdrawn the specific guidance relating to dentistry and confirmed that they will not seek to challenge the self-employed status of associate dentists prior to this date. HMRC have indicated that the withdrawal is due to their belief that they should not provide guidance on individual industry-specific contracts.

***Key performance indicators***

As noted above, one of the key performance indicators ("KPIs") which the directors and other stakeholders monitor is turnover. This is reviewed in absolute terms and in relation to budgeted and prior year comparatives.

Other KPIs used by the company include the following:

- Staff retention percentages;
- Dentist retention percentages; and
- NHS activity performance against target
- Earnings before interest, tax, depreciation and amortisation ("EBITDA")

The directors consider these ratios to be commercially sensitive and as a consequence details are not disclosed within this report.

***Subsequent events***

As of the date of this report the company has closed one dental practice.

***Financial risk management***

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk and inflation risk.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

**IDH Limited**  
**Strategic report**  
**For the year ended 31 March 2023**

**Financial risk management (continued)**

***Credit risk***

Credit risk is the risk of financial loss to the company if a customer fails to meet its contractual obligations. The nature of the company's contract with the NHS Region means that credit risk is minimised for a significant proportion of the company's revenue. The patient's contribution to NHS charges is usually collected before treatment in order to minimise risk to the company, however a risk may arise if treatment plans change and additional charges are not collected at the time of the appointment.

***Liquidity risk***

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

***Market risk***

Market risk is the risk that changes in foreign exchange rates and interest rates will affect the company's income or costs.

The company has limited currency risk as all operations are carried out in the United Kingdom and all income and expenses are denominated in Sterling. However, as materials are principally sourced by other group companies from suppliers internationally, the company is indirectly exposed to currency risk as prices are adjusted to reflect currency movements. The group mitigates this risk through the use of, for example, derivative financial instruments such as foreign currency forward contracts or option contracts. This risk is also managed through competitive tendering for the group's significant supply contracts.

***Inflation risk***

Inflation risk is the risk that the cost of key services and products procured by the company will rise with inflation and affect the company's income. The rates paid under the terms of the company's NHS contract are reviewed on an annual basis and, over the course of the past few years, the annual uplifts have typically been lower than the rate of both RPI and CPI.

The company undergoes a regular review of key suppliers through its procurement programme to mitigate cost increases, using tendering processes where possible. In addition, the group seeks to rationalise its supplier base to benefit from its scale.

**Section 172(1) statement**

The company is managed as part of the {my}dentist group and therefore the Section 172(1) statement set out on the following pages is provided in the context of the directors duties of the {my}dentist group

The directors of the company must act in accordance with the duties detailed in section 172 of the Companies Act 2006:

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

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

The directors remain conscious of the impact their decisions have on employees, patients of {my}dentist, clinicians, the NHS, communities, suppliers, regulators, investors and the environment. The directors focus on engagement with all stakeholders and this informs the group's decision-making process.

**IDH Limited**  
**Strategic report**  
**For the year ended 31 March 2023**

**Section 172(1) statement (continued)**

*Consequences of decisions in the long term*

The company has the following key strategies:

- To maintain the highest clinical standards by developing best-in-class clinical pathways and procedures to deliver consistent, high quality and ethical dental care;
- To improve clinician and nurse resourcing and retention;
- To optimise practice productivity;
- To grow our private business through affordable and specialist options;
- To ensure every practice is sustainable for the future; and
- To transform our estate to provide modern, well-equipped, easily accessible practices for our patients, clinicians and staff.

The directors believe these are critical long-term factors for the success of the company. The company has detailed plans to provide investment to support these goals; examples include the transformation of the practice estate through the merger, relocation and expansion of smaller practices to larger, high street or retail locations, increasing the availability of specialist treatments across the practice network including through implants and orthodontics, continued development of affordable private treatment options for patients and the development of a nationwide clinical support network to assist self-employed clinicians to develop their own businesses and careers.

{my}dentist aims to operate and develop its businesses in a way that supports current needs and provides a platform for future development. This decision-making process takes into account the relevant economic, environmental and social factors to sustain the company for the long term. Part of this decision-making process includes resource allocation decisions over where to invest capital to generate the best return to underpin long term operational goals.

*Engaging with our people*

As a healthcare business, it is critical that we maintain the highest possible clinical standards and our people, including our self-employed clinicians, are key to this objective. The directors and executive management team want our people to be engaged in the success of their practice and to strive to provide the best possible patient care.

The Chief Executive Officer, Chief Operating Officer, and the Chief Clinical Officer regularly meet with our clinicians and practice employees to gather feedback on potential improvements, listen to local perspectives and empower our practice teams. This ongoing dialogue and engagement is facilitated via a range of forums, including face-to-face "town-hall" meetings, broadcasts, video conferencing and regular updates on emerging clinical matters. Support Centre Heads of Department and the Executive team all make regular visits to practices to understand how central services can be further developed for the benefit of the wider practice teams.

{my}dentist wide "Great Place to Work" (for employees) and "Great Place to Practise" (for clinicians) surveys are run annually using consistent question patterns encompassing "my team", "my manager", "my career", "my engagement" and "my ideas". Localised feedback from the surveys is then used to develop action plans, which are aligned with wider divisional focus areas. Survey results from previous years have led to the restructuring of the dental nurse career path, the introduction of Practice Manager development programmes, the launch of our Clinical Excellence awards and a reorganisation of the practice facilities telephone helpdesk. The analysis for each survey is presented to the {my}dentist Board and reviewed against the current strategic goals of the business

The {my}dentist clinical conference was held in October 2022, following a two-year hiatus as a result of the Covid pandemic. The {my}dentist clinical conference provides a forum for clinicians to meet, attend continuing professional development seminars lead by industry experts and gain an insight into the development of {my}dentist. It also provides an opportunity for clinicians to highlight the positive changes their work can have on patients.

{my}dentist has a Clinical Advisory Board, made up of a number of self-employed clinicians from across the business. The advisory board provides a forum for clinical issues to be discussed with the Chief Clinical Officer and for the business to seek feedback from clinicians in relevant areas to them.

**IDH Limited**  
**Strategic report**  
**For the year ended 31 March 2023**

**Section 172(1) statement (continued)**

*Engaging with our people (continued)*

Following the Covid pandemic, the group has retained a 'hybrid' approach to working across our support centre and field teams, where this is practicable within the scope of individual job roles and responsibilities.

Management are also mindful of the mental health challenges that our colleagues may experience as a consequence of the Covid pandemic, current cost of living pressures, or other matters in their work, or personal lives. Therefore, the group has trained a number of colleagues as 'Mental Health First Aiders' to support staff experiencing such challenges.

*Understanding the views of all of our stakeholders and fostering of business relationships*

Engaging stakeholders and developing meaningful partnerships is essential for long term business success. The company is engaged in regular and open dialogue with relevant stakeholders to understand perspectives, expectations, concerns and needs.

{my}dentist maintains a wide range of relationships in the dental and healthcare sector in order to ensure it is able to plan effectively for the future. {my}dentist maintains relationships:

- with the NHS at a regional and national level to understand commissioning requirements;
- with the BDA to understand clinicians key interests;
- with the Department of Health;
- with Members of Parliament with an interest in dentistry;
- with the UK dental schools to understand the aspirations of future clinicians; and
- with overseas dental schools to increase awareness of clinicians to the opportunities available in the UK; and
- with suppliers to work on the future of dentistry including digital transformation.

{my}dentist is also a founder member of the Association of Dental Groups and through this works with other dental corporates in the UK on issues that affect the industry as a whole.

*Impact of the company's operations on the community and environment*

The company aims to deliver outstanding care to its patients, by ensuring both great clinical outcomes for them, together with a seamless patient journey through our network of dental practices.

We collect feedback from patients as part of the company's NHS commitments which generates a "Friends and Family test" recommendation that is published on the NHS website for each practice. The website also includes a section for reviews and ratings and Practice Managers provide responses to feedback and take action when issues are raised. {my}dentist also has a dedicated Patient Support team who assist practices in dealing with any issues or complaints raised by patients.

*Maintaining a reputation for high standards of business conduct*

{my}dentist's dental practices operate in a highly regulated environment. This level of regulation is critical as it ultimately aims to protect patients and to ensure they receive the right level of care and are treated fairly. The company's approach aligns with the strategy to maintain the highest clinical standards. In order to maintain compliance, {my}dentist operates a bespoke system of monitoring progress against practice targets which is reviewed alongside practice financial performance by operational management.

Alongside clinical compliance, our Health and Safety specialists assist practices in maintaining a safe environment for patients and employees. The processes and procedures in place at {my}dentist have led to the team being presented with the "Commended in the Healthcare Services Sector" award at the Royal Society for the Prevention of Accidents (RoSPA) Health and Safety Awards.

From a wider investor and stakeholder perspective, the Chief Executive Officer and Chief Financial Officer regularly meet with the holders of the group's debt in order to update them on the group's progress against its strategic objectives.


**IDH Limited**  
**Strategic report**  
**For the year ended 31 March 2023**

**Section 172(1) statement (continued)**

*The need to act fairly as between members of the company*

After weighing up all relevant factors, the directors consider which course of action best enables delivery of the group's strategy for the long term, taking into consideration the impact on stakeholders.

On behalf of the Board



---

R Storah  
Director

12 December 2023



**IDH Limited**  
**Directors' report**  
**For the year ended 31 March 2023**

The directors present their report and the audited financial statements for the year ended 31 March 2023.

**Financial risk management**

Please refer to the Strategic report for a description of the company's financial risk management processes.

**Future developments**

Please refer to the strategy and future outlook section of the Strategic report for a description of future developments.

**Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Directors**

The directors who held office during the financial year and up to the date of signing of the financial statements are as follows:

C Davies  
B Moroney  
NK Pandya  
M Prasad  
T Riall  
R Storah  
N Whitley

The directors benefitted from qualifying third party indemnification provisions in place during the financial year and at the date of approval of these financial statements.

**Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Turnstone Equityco 1 Limited. The directors have received confirmation that Turnstone Equityco 1 Limited intend to support the company for at least one year after these financial statements are signed, and therefore the going concern of the company is dependent on the going concern of the parent company. In making their assessment of the going concern of the parent company, the directors of the parent company have reviewed forecasts that consider both a base case and a severe but plausible downside case.

**Events after the reporting period**

As of the date of this report the company has closed one dental practice.

**Employees**

People are essential to the success of the company and we look to create an environment where our employees and self-employed dental clinicians are treated fairly, feel valued and are provided with training and opportunities to develop their careers. Our (my)dentist Academy in Manchester together with an online bespoke learning management system, enables us to offer a wide range of learning and development opportunities to our dental nurses, support centre teams and self-employed clinicians.

The company is an equal opportunities employer and is committed to the principle of equality regardless of race, religion, creed, colour, nationality, gender, disability, age, gender re-assignment or sexual orientation. Applications for employment from disabled persons are given full and fair consideration with regard paid only to the ability of candidates to carry out satisfactorily the duties of the job. Should an existing employee become disabled, every effort is made to ensure continuing employment with retraining arranged where necessary. Disabled persons share in the opportunities for career development and promotion while training takes account of any special needs.

**IDH Limited**  
**Directors' report**  
**For the year ended 31 March 2023**

**Employees (continued)**

The company is keen to ensure that our employees and self-employed clinicians have a voice in how the company operates. As set out earlier, these include face-to-face "town-hall" meetings, broadcasts, video conferencing and regular updates on emerging clinical matters. In addition, there is a forum through which employee representatives can discuss issues openly with management. Management regularly collect feedback through both the "Great Place to Work" (for employees) and "Great Place to Practise" (for clinicians) surveys, that are run annually using consistent question patterns in order to track progress against KPIs. Localised feedback from the surveys are then used to develop action plans.

The company regularly briefs employees on matters of concern to them, including the financial and economic performance of their business units. Strategy is cascaded through the business from an annual Leadership Conference of senior operational management down through regional sessions to practice level. In addition, an annual Clinical Conference provides the opportunity for senior management to engage with a cross-section of self-employed clinicians and understand the issues and concerns they face whilst also providing a programme of interesting and stimulating Continuing Professional Development lectures.

The nature of the company's business activities means that health and safety is an area of particular importance. The company therefore places great emphasis upon ensuring that we create a safe working environment for all of our people, patients and other visitors. For example, we are required to take care to prevent serious accidents and to eliminate from our facilities conditions that could lead to such accidents, including the risk of transmission of blood-borne and other infections. In addition, we continue to work closely with the Royal Society for Prevention of Accidents ('RoSPA'), implementing its Quality Safety Assessment ('QSA') management system audit across the company. The QSA process helps ensure measurable standards of performance are being constantly improved and maintained throughout the business. After achieving the RoSPA Gold Medal Award for nine years running, it was announced in June 2022 that {my}dentist had won the RoSPA Healthcare Services Sector Award for helping to ensure colleagues and patients at {my}dentist are safe at work and when visiting our practices. This is the highest accolade {my}dentist has ever received and with over 2,000 entrants every year it demonstrates {my}dentist as being recognised as a world leader in health and safety practice.

**Employee engagement**

Please refer to section 172 statement for details regarding employee engagement.

**Engagement with suppliers, customers and other business relationships**

Please refer to section 172 statement for details regarding engagement with suppliers, customers and other business relationships.

**Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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, 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.

**IDH Limited**  
**Directors' report**  
**For the year ended 31 March 2023**

**Statement of directors' responsibilities (continued)**

The directors 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.

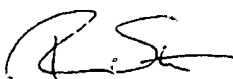
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

**Directors' confirmations**

In the 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.

On behalf of the Board



---

R Storah  
Director

12 December 2023

Europa House  
Europa Trading Estate  
Stoneclough Road  
Kearsley  
Manchester  
M26 1GG

# Independent auditors' report to the members of IDH Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, IDH Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 March 2023; 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.

# Independent auditors' report to the members of IDH Limited (*continued*)

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.

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 March 2023 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 Statement of directors' responsibilities, 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 other regulatory regulations (including those monitored by the Care Quality Commission and the Medical Health Regulatory Authority), and health and safety regulations (especially those governing dental surgeries and warehouse operations), 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

## Independent auditors' report to the members of IDH Limited (*continued*)

statements such as tax regulations. 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 the potential overstatement of revenue through manipulation of revenue recognition or use of journals to manipulate financial results.. Audit procedures performed by the engagement team included:

- Obtained an understanding of the legal and regulatory framework applicable to the company and how the company are complying with that framework;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, including unusual revenue journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Reviewed management's accounting policies for revenue recognition, particularly in relation to income from public dentistry.

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.

### 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.



Hazel Macnamara (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester  
12 December 2023

**IDH Limited**  
**Statement of comprehensive income**  
**For the year ended 31 March 2023**

	Note	2023 £'000	2022 £'000
Turnover	4	37,123	45,867
Cost of sales		<u>(16,151)</u>	<u>(22,241)</u>
<b>Gross profit</b>		<u>20,972</u>	<u>23,626</u>
Other operating income		549	225
Administrative expenses		<u>(19,924)</u>	<u>(21,496)</u>
<b>Operating profit</b>	5	1,597	2,355
Interest payable and similar expenses	8	<u>(3)</u>	<u>(6)</u>
<b>Profit before tax on ordinary activities</b>		1,594	2,349
Tax on ordinary activities	9	<u>227</u>	<u>1,990</u>
<b>Profit after tax on ordinary activities for the year</b>		1,821	4,339
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>1,821</u></u>	<u><u>4,339</u></u>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes*

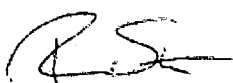
**IDH Limited**  
**Balance sheet**  
**As at 31 March 2023**

	Note	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Intangible assets	10	7,711	9,767
Tangible assets	11	14,417	11,195
Investments	12	1,526	1,526
Total fixed assets		<u>23,654</u>	<u>22,488</u>
<b>Current assets</b>			
Stocks	13	728	723
Debtors (includes £6,977,000 falling due after more than one year (2022: £6,750,000))	14	45,813	33,733
Cash at bank and in hand		10,651	14,606
Total current assets		<u>57,192</u>	<u>49,062</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	66,627	59,714
Total current liabilities		<u>66,627</u>	<u>59,714</u>
<b>Net current liabilities</b>		<u>(9,435)</u>	<u>(10,652)</u>
<b>Total assets less current liabilities</b>		<u>14,219</u>	<u>11,836</u>
<b>Non-current liabilities</b>			
Provisions for liabilities	16	1,768	1,206
Total non-current liabilities		<u>1,768</u>	<u>1,206</u>
<b>Net assets</b>		<u>12,451</u>	<u>10,630</u>
<b>Capital and reserves</b>			
Called up share capital	17	912	912
Retained earnings	18	11,539	9,718
<b>Total capital and reserves</b>		<u>12,451</u>	<u>10,630</u>

The notes on pages 17 to 29 form an integral part of these financial statements.

IDH Limited's company number is 00243708.

These financial statements on pages 14 to 29 were approved by the board of directors on 12 December 2023 and were signed on its behalf by:



\_\_\_\_\_  
R Storah  
Director

12 December 2023

*The above balance sheet should be read in conjunction with the accompanying notes*



**IDH Limited**  
**Statement of changes in equity**  
**For the year ended 31 March 2023**

	<b>Called up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total capital and reserves £'000</b>
Balance at 1 April 2021	912	5,379	6,291
Profit after tax on ordinary activities for the year	-	4,339	4,339
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	4,339	4,339
Balance at 31 March 2022	<u>912</u>	<u>9,718</u>	<u>10,630</u>

	<b>Called up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total capital and reserves £'000</b>
Balance at 1 April 2022	912	9,718	10,630
Profit after tax on ordinary activities for the year	-	1,821	1,821
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	1,821	1,821
Balance at 31 March 2023	<u>912</u>	<u>11,539</u>	<u>12,451</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**1. Company information**

The financial statements cover IDH Limited as an individual entity. The financial statements are presented in Sterling (£), which is IDH Limited's functional and presentation currency.

The company is a private company limited by shares, incorporated in the United Kingdom, domiciled and registered in England. Its registered office is Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.

The principal activity of the company is the provision of NHS dental services.

The company is a member of the group of companies headed by Turnstone Equityco 1 Limited ('the group'). The principal activities of the group are the operation of dental practices and the provision of materials, services and equipment to dental practices.

**2. Accounting policies**

***Basis of preparation***

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the United Kingdom and Ireland ('FRS 102'), and with the Companies Act 2006.

The company is a wholly owned subsidiary of Turnstone Bidco 1 Limited and of its ultimate parent, Turnstone Equity Co 1 Limited. It is included in the consolidated financial statements of Turnstone Equity Co 1 Limited which are publicly available. The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Turnstone Equity Co 1 Limited. The address of the parent's registered office is Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.

***Going concern***

These financial statements are prepared on a going concern basis, under the historical cost convention.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Turnstone Equityco 1 Limited. The directors have received confirmation that Turnstone Equityco 1 Limited intend to support the company for at least one year after these financial statements are signed, and therefore the going concern of the company is dependent on the going concern of the parent company. In making their assessment of the going concern of the parent company, the directors of the parent company have reviewed forecasts that consider both a base case and a severe but plausible downside case.

A summary of the more important accounting policies, which have been applied on a consistent basis, is set out below.

***Exemptions for qualifying entities under FRS 102***

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of, and no objection to, the use of the exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and that the company's cash flows are included within the consolidated cash flow statement for the group;
- from preparing a reconciliation of the number of shares outstanding at the beginning and end of the financial year;
- from disclosing the compensation paid to the company's key management personnel; and
- from disclosing related party transactions between wholly owned entities that are part of the Turnstone Equityco 1 Limited group of companies.

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**2. Accounting policies (continued)**

***Turnover***

Turnover represents the income received in the ordinary course of business for dentistry goods or services provided to the extent that the company has obtained the right to consideration. NHS turnover is recognised based on the volume of dental activity delivered in the contract period. Amounts received from the NHS in advance of dental activity delivered are held on the balance sheet within deferred income. Turnover from orthodontic treatment is recognised based on the stage of the completion reached during the course of treatment.

The company's NHS dentistry contracts were subject to modified operating procedures during the COVID pandemic period, which continued until the early part of FY2023. More information is provided in note 3.

***Other operating income***

The company received payments from the British Government as part of the UK Coronavirus Job Retention Scheme. Furlough grants received are recognised in other income in the period for which claims are made. Income from rental agreements is also recognised in other income on a straight line basis.

***Taxation***

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

***Goodwill***

Purchased goodwill (representing the excess of the fair value of the consideration and associated costs over the fair value of the separable net assets acquired, including intangible assets) arising in respect of business combinations is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life.

The company has not applied section 19 of FRS 102 to business combinations which occurred prior to the transition date of 1 April 2014, in accordance with the transitional exemption permitted under FRS 102.

Goodwill arising prior to the transition date is amortised over a useful life of 20 years. The useful lives reflect the period over which the company expects to benefit from the assets acquired.

In calculating the goodwill, the total consideration, both actual and deferred, is taken into account. Where the deferred consideration is contingent and dependent upon future trading performance, an estimate of the present value of the likely consideration payable is made. This contingent deferred consideration is re-assessed annually and corresponding adjustment is made to the goodwill arising on acquisition.

On the subsequent disposal or termination of a business acquired, the profit or loss on disposal or termination is calculated after charging the unamortised amount of any related goodwill.

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**2. Accounting policies (continued)**

***Tangible assets and depreciation***

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset less expected residual value over its expected useful life as follows:

Fittings and equipment	4-10 years
------------------------	------------

Where the residual value of an asset is material it is reviewed at the end of each financial year, to ensure that it has been depreciated on an appropriate basis.

***Investments***

Investments held as fixed assets are stated at historical purchase cost less amounts written off for impairment.

***Impairment of fixed assets***

At each reporting date fixed assets, including goodwill, tangible assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated as the higher of its fair value less costs to sell or the value in use. This is then compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of comprehensive income.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

***Stocks***

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Dental practice consumables are valued at the weighted average purchase cost during the financial year. Average purchase cost is calculated to take account of trade discounts received and transport and handling costs incurred. Provision is made for obsolete, slow moving and defective stock.

***Leases***

Operating lease rentals are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

***Pensions***

The company makes contributions to the National Employment Savings Trust ('NEST'), a defined contribution pension scheme, on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the statement of comprehensive income in the period to which they relate.

***Provisions***

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

***Government grants***

Grants received to assist with the purchase of tangible fixed assets are credited to deferred income and are amortised over a period to match the life of the asset acquired. Revenue grants are recognised in the statement of comprehensive income in the financial year in which they are received.

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**2. Accounting policies (continued)**

***Partnerships***

Certain directors and members of group management act as partners on behalf of the company in a number of dental practice partnerships. Profits are recognised from the company's involvement in these partnerships as they are earned in line with the terms of the partnership agreements.

***Financial instruments***

Basic financial assets and liabilities, including amounts owed by group undertakings, borrowings and cash and bank balances, in accordance with section 11 and 12 of FRS102 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 the 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 the 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.

Basic financial liabilities, including creditors, amount owed to group undertakings that are classified as debt, 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**3. Significant accounting judgements and estimates**

***Impairment of fixed assets***

At each reporting date, fixed assets, including goodwill, tangible assets and investments, are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. In determining whether there is an indication of impairment a number of judgemental factors must be considered, including an estimate of the future economic benefits that can be derived from the assets and current market conditions.

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**3. Significant accounting judgements and estimates (continued)**

*Revenue recognition of NHS UDA contracts during the Covid-19 pandemic*

(my)dentist NHS revenue is derived from long-term fixed value contracts with NHS regions and sub regions ('NHS Regions'). Provided the company achieves certain performance related criteria on an annual basis, the fixed-income nature of the contracts in England and Wales provides the company with stability and visibility over its revenue and profit streams. Payments under the framework contracts are made to the business by NHS England, with payment of 1/12 of the contract value paid on the first working day of the following month. Three to six months following the contract year end (31 March), (my)dentist receive a statement detailing UDA performance under each contract. If, at the end of the contract year, a practice has not performed all the UDAs allocated under its contract, NHS England may seek to reclaim UDAs paid for but not performed. Any reclamation of payment must be made after the end of the contract year of underperformance, although repayment may be made in-year (referred to as a "handback") if both parties agree.

Due to the restrictions placed on dental practices during the Covid-19 pandemic, the NHS in England and Wales replaced the normal contractual UDA performance measures with a more flexible system from 1 April 2020, before gradually returning to normal by 30 June 2022. This system adapted to the restrictions placed on practices by public health authorities and the consequent reduction in productivity as facilities could not be utilised 100%.

At the end of FY2021, there was increased uncertainty over the repayment position due to the absence of any UDA volume-based contract measurement and the company did not recognise the revenue related to these areas of uncertainty. During FY2022, the FY2021 year end reconciliation process with the NHS did not highlight any issues, however a level of uncertainty remained across a number of areas. As a result, management recognised revenue of £1,051,000, representing 20% of the amount previously deferred, in respect of certain elements of the deferred revenue where it was clear that the uncertainty had reduced such that it was appropriate to recognise the associated revenue. The company has subsequently progressed through the FY2022 year reconciliation process and, as no further issues having been highlighted, and having given consideration to other factors including data retention periods, management consider that the highly probable threshold for revenue recognition has been met in respect of a further £2,397,000 of the amount previously deferred such that it is appropriate to recognise the revenue. Therefore, management have recognised this within revenue in the income statement for FY2023.

**4. Turnover**

Turnover relates to the company's principal activity of the operation of dental practices. All services are provided in the United Kingdom.

**5. Operating (loss)/profit**

	2023 £'000	2022 £'000
<b>Operating (loss)/profit is stated after charging/(crediting):</b>		
Depreciation of owned assets	2,495	2,243
Amortisation of intangible assets	1,568	1,627
Amortisation of grants	-	(2)
Rental income	(5)	(7)
Operating leases - land and buildings	2,229	2,345
Furlough grant	-	(15)
Profit arising from involvement in partnerships	-	(204)
(Profit)/loss on closure of dental practices	(108)	434
Loss on disposal of private dentistry business	932	-

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**5. Operating (loss)/profit (continued)**

	2023	2022
	£'000	£'000

**Auditors' remuneration:**

Amounts receivable by the auditors and their associates in respect of:

Fees payable for the audit

	48	34
--	----	----

There were no costs payable for non-audit by this company during the year (2022: none).

***Furlough grant***

During the year the company received payments from the British Government as part of the UK Coronavirus Job Retention Scheme amounting to £nil (2022: £15,000). Furlough grants received are recognised in other operating income in the period for which claims are made.

***Profits arising from involvement in partnerships***

The decrease in profits arising from involvement in partnerships for the financial year has arisen from higher activity following the lifting of Covid-19 restrictions in year 2022.

***(Profit)/loss on closure of dental practices***

Profit/(loss) on closure of dental practices in the year ended 31 March 2023 and 2022 related to settlements and provision releases, partially offset by other closure costs on practices disposed of in current year.

***Loss on disposal of private dentistry business***

During the year, the company purchased the goodwill associated with the private dentistry business of four of its dental practices at market value from Whitecross Dental Care Limited for a total consideration of £932,000. These dental practices were subsequently sold resulting in a loss on disposal of £932,000 for the year ended 31 March 2023. No costs were recognised in the current year relating to the disposal of private dentistry business.

**6. Employees**

The average monthly number of persons employed by the company, during the financial year was made up as follows:

	2023	2022
	No of	No of
	employees	employees

Surgery staff

528	561
-----	-----

Administration staff

331	305
-----	-----

Average number of employees

859	866
-----	-----

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£'000	£'000

Wages and salaries

14,759	13,998
--------	--------

Social security costs

1,017	888
-------	-----

Other pension costs

236	219
-----	-----

Total payroll costs

16,012	15,105
--------	--------

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**7. Directors' remuneration**

The directors received no emoluments from the company for their services during the financial year (2022: £nil). The directors are paid by Petrie Tucker and Partners Limited and no recharge is made to this company. Directors emoluments received are disclosed in the financial statements of Petrie Tucker and Partners Limited for C Davies, B Moroney, M Prasad, R Storah and N Whitley, and in the financial statements of Turnstone Equityco 1 Limited for T Riall and NK Pandya.

**8. Interest payable and similar expenses**

	2023 £'000	2022 £'000
Unwinding of provision discount (note 16)	<u>3</u>	<u>6</u>

**9. Tax on ordinary activities**

**a) Analysis of tax credit for the financial year**

	2023 £'000	2022 £'000
<b>Deferred tax</b>		
Deferred tax credit for the year	(602)	(501)
Adjustment relating to the prior year	375	11
Impact of change in tax rate	-	(1,500)
Total deferred tax credit for the year	<u>(227)</u>	<u>(1,990)</u>
Tax on ordinary activities	<u>(227)</u>	<u>(1,990)</u>



**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**9. Tax on ordinary activities (continued)**

**b) Factors affecting the tax credit for the financial year**

The tax credit for the year is higher (2022: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2023 of 19% (2022: 19%). The differences are explained below:

	2023 £'000	2022 £'000
Profit before tax on ordinary activities	1,594	2,349
Tax at the statutory tax rate of 19%	303	446
Expenses not deductible for tax purposes	572	67
Income not allowable for tax purposes	-	(3)
Difference in tax rate - capital allowances	(208)	(138)
Adjustment relating to the prior year	375	11
Impact of change in tax rate	-	(1,500)
Group relief claimed for nil consideration	(1,269)	(873)
Tax on ordinary activities	(227)	(1,990)

In the Spring Budget 2022, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal had been substantively enacted at the balance sheet date, its effects are included in these financial statements.

**10. Intangible assets**

	Goodwill £'000
<b>Cost</b>	
At 1 April 2022	32,544
Transfers	(640)
Disposals	(1,075)
At 31 March 2023	30,829
<b>Accumulated amortisation</b>	
At 1 April 2022	22,777
Charge for the year	1,568
Transfers	(448)
Disposals	(779)
At 31 March 2023	23,118
<b>Net book value</b>	
At 31 March 2023	7,711
At 31 March 2022	9,767

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**11. Tangible assets**

	<b>Fittings and equipment £'000</b>
<b>Cost</b>	
At 1 April 2022	48,397
Additions	6,827
Disposals	(1,552)
Transfer	<u>(506)</u>
At 31 March 2023	<u>53,166</u>
<b>Accumulated depreciation</b>	
At 1 April 2022	37,202
Charge for the year	2,541
Disposals	(944)
Transfer	<u>(50)</u>
At 31 March 2023	<u>38,749</u>
<b>Net book value</b>	
At 31 March 2023	<u>14,417</u>
At 31 March 2022	<u>11,195</u>

**12. Investments**

**£'000**

**Investments at cost and net book value in subsidiary undertakings**

At 1 April 2022 and 31 March 2023	<u>1,526</u>
-----------------------------------	--------------

The table below provides details of the company's subsidiary undertakings, all of which are 100% interests in the ordinary share capital and all of which are consolidated in the financial statements of the ultimate parent company, Turnstone Equityco 1 Limited.

All of the subsidiary companies are incorporated in the United Kingdom.

In the opinion of the directors, the value of the company's investments in its subsidiaries is not less than the amount at which it is shown in the balance sheet.

<b>Name of subsidiary</b>	<b>Principal activity</b>	<b>Domiciled in</b>
@TheDentist Limited	Dormant	England
ADP Ashford Ltd	Dormant	England
ADP Yorkshire Ltd	Dormant	England
Dental Health Care Limited	Dormant	England
Dental Talent Tree (Recruitment) Limited	Dormant	England
IDH Mansfield Limited	Dental practices	England
OurDentist Ltd	Dormant	England

*The registered office address of the above subsidiaries is Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.*

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**12. Investments (continued)**

In addition to the limited companies listed above, the company controls the following partnerships, all of which are engaged in dental practice activities, through the appointment of members of the management team as partners, acting on behalf of the company:

Name of partnership	Name of partnership
JF Scott Dental Surgeon Partnership	The Dental Surgery Partnership
Lambert Coutts & Associates Dental Practice Partnership	The Caulfield Dental Surgery Partnership

*All of the above partnerships have their registered office address at: Europa House, Europa Trading Estate, Stoneclough Road, Kearsley, Manchester, M26 1GG.*

**13. Stocks**

	2023 £'000	2022 £'000
Dental practice consumables	<u>728</u>	<u>723</u>

The cost of stocks recognised as an expense within cost of sales during the year amounted to £2,477,000 (2022: £2,724,000).

There is no significant difference between the replacement cost of the inventory and its carrying amount. Inventories are stated after provisions for impairment of £nil (2022: £nil).

**14. Debtors**

	2023 £'000	2022 £'000
Trade debtors	167	33
Amounts owed by group undertakings	37,459	25,894
Deferred tax	6,977	6,750
Prepayments and accrued income	<u>1,210</u>	<u>1,056</u>
	<u>45,813</u>	<u>33,733</u>

Amounts owed by group undertakings are unsecured, are not subject to an interest charge and are repayable on demand.

All debtors are due within one year with the exception of deferred tax of £6,977,000 (2022: £6,750,000) due in more than one year.

**Deferred tax**

The movement on deferred tax in the financial year is analysed as follows:

	Deferred tax £'000
At 1 April 2022	6,750
Capital allowances	602
Adjustment relating to the prior year	<u>(375)</u>
At 31 March 2023	<u>6,977</u>

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**14. Debtors (continued)**

The elements of deferred taxation are as follows:

	2023 £'000	2022 £'000
Capital allowances	6,977	6,750

**15. Creditors: amounts falling due within one year**

	2023 £'000	2022 £'000
Trade creditors	-	258
Amounts owed to group undertakings	37,440	37,440
Accruals and deferred income	29,187	22,016
	66,627	59,714

Amounts owed to group undertakings are unsecured, are not subject to an interest charge and are repayable on demand. While the amounts owed to group undertakings are repayable on demand, it is not expected that they will be settled within 12 months.

**16. Provisions for liabilities**

	Vacant property and dilapidations £'000
At 1 April 2022	1,206
Charged to the statement of comprehensive income	1,136
Utilised in the financial year	(553)
Unwinding of discount (note 8)	3
Transfers	(24)
At 31 March 2023	1,768

**Vacant property and dilapidations**

Provision has been made for the costs associated with contractual obligations for residual lease commitments and to return the practice to its original condition at the end of the lease.

**17. Called up share capital**

The allotted, called up and fully paid share capital is as follows:

	2023 No. of shares	2023 £'000	2022 No. of shares	2022 £'000
Ordinary shares of £1 each	911,788	912	911,788	912

**18. Retained earnings**

Cumulative net gains and losses recognised in the statement of comprehensive income or through equity.

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**19. Commitments**

The company had the following future minimum lease payments under non-cancellable operating leases at the balance sheet date:

	2023 £'000	2022 £'000
<b>Land and buildings</b>		
Within one year	2,095	2,410
Between one year and five years	6,703	7,468
After five years	5,336	6,035
	<u>14,134</u>	<u>15,913</u>

**20. Financial assets and liabilities**

The company has the following financial instruments:

	2023 £'000	2022 £'000
<b>Financial assets measured at amortised cost</b>		
Trade debtors (note 14)	167	33
Amounts owed by group undertakings (note 14)	37,459	25,894
	<u>37,626</u>	<u>25,927</u>

	2023 £'000	2022 £'000
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors (note 15)	-	(258)
Amounts owed to group undertakings (note 15)	(37,440)	(37,440)
Accruals (note 15)	(29,187)	(22,016)
	<u>(66,627)</u>	<u>(59,714)</u>

**21. Contingent liabilities**

On 16 August 2021, Turnstone Bidco 1 Limited entered into an agreement with a number of funds for a new £400 million Unitranche loan facility available until 2027, £50 million facility due to 2027 and £120 million Bridge Facility available to 2023. On 29 October 2021 the £50 million facility was replaced by a new £45 million SSRFC available until 2027 provided by a syndicate of banks. The £120 million Bridge Facility was also repaid in full following the sale of the DD division by the group on 8 June 2022. Subsequently, on 30 March 2023 a re-financing was completed which included repaying £5.0 million of the existing £400.0 million Unitranche facility, arranging a new £10.0 million super senior Term Loan ('ssTL') on the same terms as the RCF, extending the capacity of the existing RCF from £45.0 million to £65.0 million on the same terms, and agreeing a new £50.0 million Committed Acquisition Facility ('CAF').

Under the terms of these financing arrangement, the assets of the company have been pledged as security for the new facilities.

**IDH Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**22. Events after the reporting period**

As of the date of this report the company has closed one dental practice.

**23. Controlling party**

The immediate parent undertaking is mydentist Acquisitions Limited (formerly IDH Acquisitions Limited), incorporated in the United Kingdom.

The results of the company are consolidated in the financial statements of Turnstone Equityco 1 Limited, a company incorporated in the United Kingdom and domiciled in England.

Turnstone Equityco 1 Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements. The consolidated financial statements of Turnstone Equityco 1 Limited are publicly available and may be obtained from Turnstone Equityco 1 Limited's registered address, Europa House, Stoneclough Road, Kearsley, Manchester, M26 1GG.

The controlling party is ADP Primary Care Acquisitions Limited. The registered office for ADP Primary Care Acquisitions Limited is Park Row, Leeds, LS1 5AB.