

Company Registration No. 02446392 (England and Wales)

MOBILE DOCTORS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

MOBILE DOCTORS LIMITED

COMPANY INFORMATION

Director	Mrs R E Reid	(Appointed 20 September 2021)
Company number	02446392	
Registered office	4 The Courtyard Calvin Street Bolton BL1 8PB	
Auditor	Price Bailey LLP 3rd Floor, 24 Old Bond Street London W1S 4AP	

MOBILE DOCTORS LIMITED

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MOBILE DOCTORS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The director presents the strategic report for the year ended 31 December 2020.

Fair review of the business

The statement of financial position shows the company's financial position at the year end. The company's turnover for the year was £10,407,248 (31 December 2019: £13,147,465), the net assets as at 31 December 2020 were £21,288,870 (31 December 2019: £20,297,101).

The COVID-19 pandemic started to impact the company in March 2020 and the lockdown caused a fall in road traffic accidents and company activity. The company has mitigated the impact by implementing video assessments, however, because of these factors the results are not easily comparable to the preceding year.

Key performance indicators are disclosed below.

Principal risks and uncertainties

Legislative risk

The industry in which the company operates is expected to change as a result of the measures implemented in May 2021. The Directors continue to monitor both internal and external key performance indicators for the work generated via the new process, including volume of cases, instructions received and case times.

Credit and cashflow risk

The company gives long credit terms to many of its customers. This is abrogated by reconciling regularly and issuing any credit notes promptly. The company monitors its short and middle term cash requirements and makes sure it has adequate funds to pay liabilities as they fall due.

Development and performance

The industry in which the company operates is expected to change as a result of the measures implemented in May 2021. The Directors continue to monitor both internal and external key performance indicators for the work generated via the new process, including volume of cases, instructions received and case times.

Other performance indicators

Key performance indicators used by the company were as follows:

	31.12.2020	31.12.2019
Turnover	£10,407,248	£13,147,465
Gross margin	33.80%	37.48%
Profit before tax	£881,543	£ 2,160,972
PBT / Revenue	8.5%	16.4%
Average employee Nos	78	80
Debtor days	184 Days	159 Days
Net Assets	£21,288,870	£ 20,297,101

Subsequent Events

Subsequent to the year end, the company paid a dividend amounting in total to, £20,345,141.

On 8 March 2021 the company was acquired by Kuro Health Limited.

On 26th January 2022 the company issued £992,668 in additional share capital and the holding company, Kuro Health Limited subscribed and paid for it.

MOBILE DOCTORS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

On behalf of the board

Mrs R E Reid

Director

2 February 2022

MOBILE DOCTORS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The director presents her annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company continued to be that of the provision of medical services, in particular independent expert medical evidence, to the insurance industry and legal fraternity, together with the provision of occupational health services to industry in general. The company is incorporated and domiciled in England and Wales.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The director records payment of a final dividend amounting to £20,345,141.

Director

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

A L Wilford	(Resigned 8 March 2021)
D J L Whitmore	(Resigned 8 March 2021)
Mr N R Ross	(Appointed 8 March 2021 and resigned 20 August 2021)
Mr J Warner	(Appointed 20 August 2021 and resigned 20 September 2021)
Mrs R E Reid	(Appointed 20 September 2021)

Future developments

The industry in which the company operates is expected to change as a result of the measures implemented in May 2021. The Directors continue to monitor both internal and external key performance indicators for the work generated via the new process, including volume of cases, instructions received and case times.

Auditor

The auditors Price Bailey LLP, were appointed after the end of the financial year 31 December 2020.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mrs R E Reid

Director

2 February 2022

MOBILE DOCTORS LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. She is 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.

MOBILE DOCTORS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF MOBILE DOCTORS LIMITED

Opinion

We have audited the financial statements of Mobile Doctors Limited (the 'Company') for the year ended 31 December 2020, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other matters

The financial statements of Mobile Doctors Limited for the year ended 31 December 2019 were not audited.

MOBILE DOCTORS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF MOBILE DOCTORS LIMITED

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of director

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

MOBILE DOCTORS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF MOBILE DOCTORS LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of the company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, tax legislation and distributable profits. In relation to the industry this included consideration of the Company's Medco status, employment law and health & safety. The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit.

We carried out specific procedures to address the risks identified. These included the following:

- Review of legal fees incurred;
- Reviewing minutes of meetings of those charged with governance;
- Enquiring of management including those responsible for the key regulations;
- A review of the latest Medco Report, consideration of the policies and procedures in place to ensure the company is compliant with Medco and the response from management in implementing recommendations and guidance highlighted by Medco in the most recent review.
- Reviewing the key accounting policies and estimates
- Agreeing the financial statement disclosures to underlying supporting documentation;

To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

MOBILE DOCTORS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF MOBILE DOCTORS LIMITED

Use of our report

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

Darren Amott (Senior Statutory Auditor)
For and on behalf of Price Bailey LLP
Chartered Accountants

4 February 2022

3rd Floor, 24 Old Bond Street
London
W1S 4AP

MOBILE DOCTORS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Notes	£	as restated £
Turnover	3	10,407,248	13,147,465
Cost of sales		(6,889,154)	(8,220,305)
Gross profit		<u>3,518,094</u>	<u>4,927,160</u>
Administrative expenses		(2,636,551)	(2,766,188)
Profit before taxation		<u>881,543</u>	<u>2,160,972</u>
Tax on profit	6	110,226	(27,024)
Profit for the financial year		<u><u>991,769</u></u>	<u><u>2,133,948</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

MOBILE DOCTORS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	as restated £
Profit for the year	991,769	2,133,948
Other comprehensive income	-	-
Total comprehensive income for the year	<u>991,769</u>	<u>2,133,948</u>

MOBILE DOCTORS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		995		995
Tangible assets	8		3,333		5,851
Investments	9		100		100
			<u>4,428</u>		<u>6,946</u>
Current assets					
Debtors - deferred tax	14	39,386		27,887	
Debtors - other	11	42,797,039		39,242,177	
Cash at bank and in hand		899,515		904,802	
		<u>43,735,940</u>		<u>40,174,866</u>	
Creditors: amounts falling due within one year	12	(22,334,998)		(19,809,711)	
Net current assets			<u>21,400,942</u>		<u>20,365,155</u>
Total assets less current liabilities			<u>21,405,370</u>		<u>20,372,101</u>
Provisions for liabilities					
Provisions	13	116,500		75,000	
		<u>(116,500)</u>		<u>(75,000)</u>	
Net assets			<u><u>21,288,870</u></u>		<u><u>20,297,101</u></u>
Capital and reserves					
Called up share capital	16		7,332		7,332
Capital redemption reserve	17		2,668		2,668
Profit and loss reserves	18		21,278,870		20,287,101
Total equity			<u><u>21,288,870</u></u>		<u><u>20,297,101</u></u>

The financial statements were approved by the board of directors and authorised for issue on 2 February 2022 and are signed on its behalf by:

Mrs R E Reid
Director

Company Registration No. 02446392

MOBILE DOCTORS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£
As restated for the period ended 31 December 2019:				
Balance at 1 January 2019	7,332	2,668	16,574,961	16,584,961
Effect of change in accounting framework and prior year adjustment	-	-	1,578,192	1,578,192
As restated	7,332	2,668	18,153,153	18,163,153
Year ended 31 December 2019:				
Profit and total comprehensive income for the year	-	-	2,133,948	2,133,948
Balance at 31 December 2019	7,332	2,668	20,287,101	20,297,101
Year ended 31 December 2020:				
Profit and total comprehensive income for the year	-	-	991,769	991,769
Balance at 31 December 2020	7,332	2,668	21,278,870	21,288,870

MOBILE DOCTORS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24		(104,014)	451,213	
Income taxes refunded/(paid)			98,727	(54,911)	
Net cash (outflow)/inflow from operating activities			(5,287)	396,302	
Net (decrease)/increase in cash and cash equivalents			(5,287)	396,302	
Cash and cash equivalents at beginning of year			904,802	508,500	
Cash and cash equivalents at end of year			899,515	904,802	

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Mobile Doctors Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 The Courtyard, Calvin Street, Bolton, BL1 8PB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Mobile Doctors Limited is a wholly owned subsidiary of Mobile Doctors Solutions Limited and the results of Mobile Doctors Limited are included in the consolidated financial statements of ultimate parent company, Slater and Gordon Holdings Limited which are available from 58 Mosley Street, Manchester, England, M2 3HZ.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.2 Going concern

The financial statements have been prepared on a going concern basis which forecasts that the Company will have sufficient liquidity to meet its financial obligations for a period of at least 12 months from the date of this financial report.

As part of their review, the Directors have considered the implications of the current Coronavirus Pandemic within the going concern assumption. The Directors have continued to monitor and assess the impact on the business resulting from varying travel restrictions and national lockdowns. New ways of processing cases have been developed to ensure continuation of service to customers through these unprecedented times. To ensure the Business continues to operate as a going concern conducted a full review of resources and continue to monitor the longer-term impacts of the pandemic on key stakeholders including court delays and availability of medical experts.

The Directors have also considered the impact of the new Official Injury Claims portal, implemented on the 31st May 2021. The Directors continue to monitor both internal and external key performance indicators for the work generated via the new portal, including volume of cases, instructions received and case times, however there is currently uncertainty on the impact to collection profiles. The Directors opinion is that any change in collection profile in the short term will reverse in the long term as the services provided support access to justice for individual claimants, however there is a level of uncertainty.

The Company has developed a close working relationship with its bankers, which has been strengthened since being acquired by Kuro Health Limited, who also have a long-term relationship. To mitigate the impact of the economic downturn caused by the pandemic, post year-end, a new facility of £1.5 million has been secured, which ensures the Company has sufficient headroom available to satisfy liabilities as they fall due. Post year-end the Company has also issued £992,668 of additional share capital.

Forecasts have been prepared for a period of more than 12 months from the date of approval of these financial statements. Due to the long credit terms offered too many customers and the uncertainty discussed above, the Parent Company has confirmed that it will support the working capital requirements if necessary. However, the Company is well funded and capitalised, fully supported by Group, and despite the uncertainty above, the Directors believe that it is appropriate to prepare the accounts on a going concern basis.

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

The company provides medical reporting services and where revenue is recognised on delivery of service. Revenue can be reliably estimated based on agreed charges with customers or instructing parties. Where services are delivered by external parties costs can be reliably estimated based on contractual charges agreed with those suppliers.

At the statement of financial position date, the Company recognises 100% of the revenue on the receipt of the medical report. A provision is recognised to reflect the fact that the full amounts due are not always recovered. The basis of this revenue recognition policy is that the receipt of the medical report represents the significant act.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software and licences	3 to 5 years
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	5 years straight line
Plant and equipment	3-5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 profit or loss.

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 profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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. Amounts payable 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Credit note provisions

Revenue from services are recognised in accordance with the policy set out at 1.3 on the expectation that the case will be successfully concluded. Cases on average complete within two years however there are instances where cases are unsuccessful, and fees are not recoverable.

As a consequence, an element of judgement is required to account for potential fluctuations in income. A provision for credit notes is utilised to estimate the potential impact of such changes to case profiles and the respective incomes. The provision is calculated based on historical experience, current trends, industry knowledge and other relevant factors. The judgements used to calculate the provision, are material to the results of the company. A small change in those judgements could have a significant impact on the accounts. Therefore, the results of the company are sensitive to movements in this provision if assumptions and trends change.

The senior management team have adequate controls and KPIs in place to monitor and assess the suitability of the provision to ensure income is fairly stated in the financial statements.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Turnover and other revenue

	2020	2019 as restated
	£	£
Turnover analysed by class of business		
Medical reporting services	10,407,248	13,147,465

	2020	2019 as restated
	£	£
Turnover analysed by geographical market		
United Kingdom	10,407,248	13,147,465

4 Operating profit

	2020	2019 as restated
	£	£
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	40,000	-
Depreciation of owned tangible fixed assets	2,518	7,715
Operating lease charges	67,950	35,984

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2020 Number	2019 Number
78	80

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	1,952,626	2,045,114
Social security costs	170,785	164,998
Pension costs	35,115	33,213
	2,158,526	2,243,325

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	-	(1,188)
Adjustments in respect of prior periods	(98,727)	28,212
Total current tax	(98,727)	27,024
Deferred tax		
Origination and reversal of timing differences	(11,499)	-
Total tax (credit)/charge	(110,226)	27,024

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 as restated £
Profit before taxation	881,543	2,160,972
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	167,493	410,585
Tax effect of expenses that are not deductible in determining taxable profit	547	1
Change in unrecognised deferred tax assets	3,311	-
Adjustments in respect of prior years	(98,727)	28,212
Group relief	(182,850)	(709,792)
FRS 102 adoption	-	(1,838)
Tax adjustment in respect of prior year adjustment	-	299,856
Taxation (credit)/charge for the year	(110,226)	27,024

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Intangible fixed assets

	Software and licences £
Cost	
At 1 January 2020 and 31 December 2020	324,893
Amortisation and impairment	
At 1 January 2020 and 31 December 2020	323,898
Carrying amount	
At 31 December 2020	995
At 31 December 2019	995

8 Tangible fixed assets

	Fixtures and fittings £	Plant and equipment £	Total £
Cost			
At 1 January 2020 and 31 December 2020	16,726	497,590	514,316
Depreciation and impairment			
At 1 January 2020	10,893	497,572	508,465
Depreciation charged in the year	2,500	18	2,518
At 31 December 2020	13,393	497,590	510,983
Carrying amount			
At 31 December 2020	3,333	-	3,333
At 31 December 2019	5,833	18	5,851

9 Fixed asset investments

	Notes	2020 £	2019 £
Investments in subsidiaries	10	100	100

10 Subsidiaries

At 31 December 2020 the Company's investment is held at cost of £100 (2019 £100). The company is dormant and has net assets of £100 (2019 £100).

Details of the company's subsidiaries at 31 December 2020 are as follows:

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Subsidiaries (Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
MDL Medical Administration Limited	58 Mosley Street, Manchester, England M2 3HZ	Dormant	Ordinary	100.00

11 Debtors

	2020 £	2019 as restated £
Amounts falling due within one year:		
Trade debtors	6,299,347	6,853,324
Amounts owed by group undertakings	36,192,943	32,093,141
Prepayments and accrued income	304,749	295,712
	<u>42,797,039</u>	<u>39,242,177</u>
Amounts falling due after more than one year:		
Deferred tax asset (note 14)	<u>39,386</u>	<u>27,887</u>
Total debtors	<u>42,836,425</u>	<u>39,270,064</u>

12 Creditors: amounts falling due within one year

	2020 £	2019 as restated £
Trade creditors	7,586,473	7,332,962
Amounts owed to group undertakings	10,663,051	8,813,282
Taxation and social security	3,763,338	3,173,347
Accruals and deferred income	322,136	490,120
	<u>22,334,998</u>	<u>19,809,711</u>

13 Provisions for liabilities

	2020 £	2019 £
Dilapidations on rented property	<u>116,500</u>	<u>75,000</u>

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Provisions for liabilities

(Continued)

Movements on provisions:

**Dilapidations
on rented
property
£**

At 1 January 2020	75,000
Additional provisions in the year	41,500
	<hr/>
At 31 December 2020	116,500
	<hr/> <hr/>

The provision for dilapidations are in respect of rent properties by the company and will be utilised on exiting the premises at the end of the lease.

In prior year the provision was included in Accruals and deferred income.

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2020 £	Assets 2019 £
Balances:		
Accelerated capital allowances	16,356	14,000
Other short term timing differences	23,030	13,887
	<hr/>	<hr/>
	39,386	27,887
	<hr/> <hr/>	<hr/> <hr/>
Movements in the year:		2020 £
Asset at 1 January 2020		(27,887)
Credit to profit or loss		(8,188)
Effect of change in tax rate - profit or loss		(3,311)
		<hr/>
Asset at 31 December 2020		(39,386)
		<hr/> <hr/>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses and capital allowances against future expected profits of the same period.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Retirement benefit schemes

	2020	2019
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	35,115	33,213

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16 Share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	7,332	7,332	7,332	7,332

17 Capital redemption reserve

	2020 £	2019 £
At the beginning and end of the year	2,668	2,668

18 Profit and loss reserves

	2020 £	2019 as restated £
At the beginning of the year	18,699,235	16,574,961
Effect of transition to FRS 102	9,674	-
Prior year adjustment	1,578,192	1,578,192
As restated	20,287,101	18,153,153
Profit for the year	991,769	2,133,948
At the end of the year	21,278,870	20,287,101

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	73,800	73,800
Between two and five years	37,500	111,300
	<u>111,300</u>	<u>185,100</u>

20 Cross guarantee

Until 8 March 2021, the Company was party to a GBP currency Super Senior Facility Agreement ("SSFA") dated 22 December 2017 pursuant to which the Company's related party company, Slater & Gordon (UK) 1 Limited, is a borrower having fully drawn the facility. The principal and accrued interest under the facility at 31 December 2020 were £33.8m (2019: £30.0m). Pursuant to the terms of the SSFA, the Company had given a cross-guarantee (along with other UK Group companies) in relation to all liabilities outstanding under the SSFA in favour of the Finance Parties (as defined under the SSFA), which are all shareholders of Slater and Gordon UK Holdings Limited, the ultimate parent company.

Until 8 March 2021, the Company was also party to a debenture dated 22 December 2017 (the "Debenture") pursuant to which the Company (together with other UK Group companies) covenants with GLAS Trust Corporation Limited (acting as Security Trustee for itself and the Secured Parties (as defined in the Debenture), which are all shareholders of Slater and Gordon UK Holdings Limited, the ultimate parent company) that it will on demand pay all liabilities outstanding under the SSFA (and associated finance documents) when they are due and payable and grants security over all of its assets in favour of GLAS Trust Corporation Limited (acting as Security Trustee for itself and the Secured Parties).

On 5 July 2021, a cross guarantee was given by the company in favour of Barclays Bank PLC. The cross guarantee is in support of the finance facilities provided by Barclays Bank PLC to Kuro Health group of entities. The cross guarantee includes the following group companies: Kuro Health Limited, Premier Medical Group Limited, Rehab-link Limited and South East Specialist Medicals Reports Limited.

21 Events after the reporting date

Subsequent to the year end, the company paid a dividend amounting in total to, £20,345,141.

On 8 March 2021 the company was sold to Kuro Health Limited.

On 5 July 2021 the company entered into an invoice discounting facility agreement with Barclays Bank PLC. The company has access to an invoice discount facility line of £1.5 million.

This facility is secured by a fixed and floating charge over current and future assets of the company. A cross guarantee was given by the company in favour of Barclays Bank PLC. The cross guarantee is in support of the finance facilities provided by Barclays Bank PLC to Kuro Health Limited, Premier Medical Group Limited, Rehab-link Limited and South East Specialist Medicals Report Limited.

On 26th January 2022 the company issued £992,668 in additional share capital and the holding company, Kuro Health Limited subscribed and paid for it.

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

22 Related party transactions

Included within debtors falling due within one year are amounts owed to group undertakings, the immediate parent company, of £8,081,105 (2019 £8,081,109) which are interest free, unsecured and repayable on demand.

Also included within debtors falling due within one year, are other debtors, net of credit note provisions, of £28,111,838 (2019 £25,173,384) which are all owed from related undertakings and are interest free, unsecured and repayable on demand.

Included within creditors falling due within one year are amounts owed to group undertakings of £10,663,051 (2019 £8,813,282) which are interest free, unsecured and repayable on demand.

23 Ultimate controlling party

From 8 March 2021 the ultimate parent company is Kuro Health Limited (formerly known as Premier Medical Holdings Limited), a company registered in England and Wales.

Prior to this date, the ultimate parent undertaking was Slater and Gordon UK Holdings Limited, a company incorporated in England and Wales. Copies of the consolidated accounts of Slater and Gordon UK Holdings can be obtained from 58 Mosley Street, Manchester, England, M2 3HZ.

24 Cash (absorbed by)/generated from operations

	2020 £	2019 as restated £
Profit for the year after tax	991,769	2,133,948
Adjustments for:		
Taxation (credited)/charged	(110,226)	27,024
Depreciation and impairment of tangible fixed assets	2,518	7,715
Increase in provisions	41,500	75,000
Movements in working capital:		
Increase in debtors	(3,554,862)	(6,400,524)
Increase in creditors	2,525,287	4,608,050
Cash (absorbed by)/generated from operations	(104,014)	451,213

25 Analysis of changes in net funds

	1 January 2020 £	Cash flows £	31 December 2020 £
Cash at bank and in hand	904,802	(5,287)	899,515

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

26 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on: (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under FRS101 are given below.

Reconciliations for prior period adjustments

Reconciliations and descriptions of the effect of the adjustments to the December 2018 balance sheet on the earliest prior period presented, restating the opening balances of assets, liabilities and equity. The impact of the prior period adjustment is set out below.

Reconciliation of equity

	Notes	1 January 2019 £	31 December 2019 £
Equity as reported previously stated		16,584,961	18,709,235
Adjustments to prior year (note 1)		1,578,192	1,578,192
As restated		18,163,153	20,287,427
Adjustments arising from transition to FRS 102:			
Adjustments to prior year	1	-	-
Turnover	2	-	(117,524)
Interest payable adjustment	2	-	117,524
Administration expenses adjustments	3	-	(5,845)
Interest payable adjustment	3	-	15,519
Equity reported under FRS 102		18,163,153	20,297,101

Reconciliation of profit for the financial period

	Notes	2019 £
Profit as reported previously stated		2,124,274
Adjustments arising from transition to FRS 102:		
Adjustments to prior year	1	-
Turnover	2	(117,524)
Interest payable adjustment	2	117,524
Administration expenses adjustments	3	(5,845)
Interest payable adjustment	3	15,519
Profit reported under FRS 102		2,133,948

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

26 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of equity

	At 1 January 2019				At 31 December 2019			
	Previously stated £	Prior year adjustment £	Effect of transition £	FRS 102 £	Previously stated £	Prior year adjustment £	Effect of transition £	FRS 102 £
Fixed assets	Notes							
Other intangibles		-	-	995	995	-	-	995
Tangible assets	3	-	-	13,566	121,149	-	(115,298)	5,851
Investments		-	-	100	100	-	-	100
				14,661	122,244	-	(115,298)	6,946
Current assets								
Debtors due after one year		-	-	54,750	-	-	-	-
Debtors - deferred tax		-	-	-	27,887	-	-	27,887
Debtors due within one year	1 & 3	-	-	32,864,657	37,805,771	1,436,406	-	39,242,177
Bank and cash		-	-	508,500	904,802	-	-	904,802
				33,427,907	38,738,460	1,436,406	-	40,174,866

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

26 Reconciliations on adoption of FRS 102

(Continued)

		At 1 January 2019			At 31 December 2019				
	Notes	Previously stated £	Prior year adjustment £	Effect of transition £	FRS 102 £	Previously stated £	Prior year adjustment £	Effect of transition £	FRS 102 £
Creditors due within one year									
Finance leases	3	-	-	-	-	(59,000)	-	59,000	-
Taxation	1	(2,681,000)	(100,859)	-	(2,781,859)	(3,072,488)	(100,859)	-	(3,173,347)
Other creditors	2 & 3	(12,740,201)	242,645	-	(12,497,556)	(16,863,784)	242,645	(15,225)	(16,636,364)
		(15,421,201)	141,786	-	(15,279,415)	(19,995,272)	141,786	43,775	(19,809,711)
Net current assets		16,570,300	1,578,192	-	18,148,492	18,743,188	1,578,192	43,775	20,365,155
Total assets less current liabilities		16,584,961	1,578,192	-	18,163,153	18,865,432	1,578,192	(71,523)	20,372,101
Creditors due after one year	3	-	-	-	-	(81,197)	-	81,197	-
Finance leases		-	-	-	-	-	-	-	-
Provisions for liabilities									
Other provisions		-	-	-	-	(75,000)	-	-	(75,000)
Net assets		16,584,961	1,578,192	-	18,163,153	18,709,235	1,578,192	9,674	20,297,101

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

26 Reconciliations on adoption of FRS 102

(Continued)

		At 1 January 2019			At 31 December 2019				
	Notes	Previously stated £	Prior year adjustment £	Effect of transition £	FRS 102 £	Previously stated £	Prior year adjustment £	Effect of transition £	FRS 102 £
Capital and reserves									
Share capital		7,332	-	-	7,332	7,332	-	-	7,332
Capital redemption		2,668	-	-	2,668	2,668	-	-	2,668
Profit and loss	1 to 3	16,574,961	1,578,192	-	18,153,153	18,699,235	1,578,192	9,674	20,287,101
Total equity		16,584,961	1,578,192	-	18,163,153	18,709,235	1,578,192	9,674	20,297,101

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Reconciliation of profit for the financial period

	Notes	Year ended 31 December 2019			FRS 102 £
		Previously stated £	Prior year adjustment £	Effect of transition £	
Turnover	2	13,264,989	(117,524)	-	13,147,465
Cost of sales	2	(8,337,829)	117,524	-	(8,220,305)
Gross profit		4,927,160	-	-	4,927,160
Distribution costs		-	-	-	-
Administrative expenses	3	(2,760,343)	-	(5,845)	(2,766,188)
Other operating income		-	-	-	-
Exceptional items		-	-	-	-
Income from shares in group undertakings		-	-	-	-
Income from participating interests		-	-	-	-
Income from other fixed asset investments		-	-	-	-
Interest receivable and similar income		-	-	-	-
Interest payable and similar expenses	3	(15,519)	-	15,519	-
Amounts written off investments		-	-	-	-
Income statement suspense		-	-	-	-
Taxation		(27,024)	-	-	(27,024)
Current year adjustments		-	-	-	-
Extraordinary profit or loss		-	-	-	-
Tax on extraordinary profit or loss		-	-	-	-
Other taxes		-	-	-	-
Profit for the financial period		2,124,274	-	9,674	2,133,948

MOBILE DOCTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

26 Reconciliations on adoption of FRS 102

(Continued)

Notes to reconciliations on adoption of FRS 102

1. Restatement of 2018 financial statements

In 2020, the company has undertaken a full review of amounts remaining on the Balance Sheet that originated from old operating systems. As part of this review the validity of the original transactions has been investigated and identified overstated liabilities totalling £703,178. Due to the size of the adjustments these have deemed to require prior year restatement and have impacted both sales and purchase ledger.

The company has also undertaken a reconciliation of amounts owed with another group company that has identified that the provision for credit notes made in the prior years were overly cautious. Given the size of the adjustment and the impact on the reading of the accounts the adjustment of £875,014 has been deemed to be a prior year adjustment.

The impact of the prior year adjustment is set out above.

2. Prior year adjustment - reclassification

A credit note provision was previously posted to cost of sales and has been moved to turnover £117,524.

Accrued cost of sales was previously netted with work in progress £77,754.

3. Transition from IFRS to FRS102

The company adopted FRS 101 "Reduced Disclosure Framework" for the 31 December 2019 accounts. For the year to 31 December 2020 due to a change in ownership on 8th March 2021, the company has reverted back to FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Rent adjustment

Under IFRS 16 "Leases" the lease liability was measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The associated lease was capitalised as a right-of-use asset. Under FRS102 the rent paid £18,450, adjusted for provision for any rent free period £15,225, is disclosed in the profit and loss account.

Depreciation

IFRS 16 requires the lease to be capitalised and depreciation charged over the term of the lease. The depreciation of £27,831 has been removed on transition.

Interest

FRS102 does not require the lease liabilities to be measured at present value so the interest of £15,518 has been removed.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.