

Registered number: 02848490

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2014**

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## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

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**OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

J Ash  
C D E Cameron (resigned 7 May 2013)  
D J Leatherbarrow (appointed 7 May 2013)  
J Gonzalez (appointed 4 November 2013)

**COMPANY SECRETARY**

Oasis Healthcare Limited

**REGISTERED NUMBER**

02848490

**REGISTERED OFFICE**

Oasis Healthcare Support Centre  
Building E, Vantage Office Park  
Old Gloucester Road  
Hambrook  
Bristol  
BS16 1GW

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
31 Great George Street  
Bristol  
BS1 5QD

**BANKERS**

Barclays Bank plc  
11th Floor  
Churchill Place  
London  
E14 5HP

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2014**

The directors present the Strategic Report of Oasis Dental Care (Southern) Holdings Limited (the "Company") for the year ended 31 March 2014.

#### **BUSINESS REVIEW**

The directors manage the various business of The Oasis Healthcare Group on a group, rather than an individual company basis. As such, a separate business review for the Company has not been prepared, but a group review can be found in the Strategic Report contained in the Annual Report of Oasis Healthcare Limited. Neither the Strategic Report nor the Annual Report of Oasis Healthcare Limited forms part of this report.

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

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of The Oasis Healthcare Group, which include those of the Company, are discussed in the Strategic Report contained in the Annual Report of Oasis Healthcare Limited. Neither the Strategic Report nor the Annual Report of Oasis Healthcare Limited forms part of this report.

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

The directors of The Oasis Healthcare Group manage the Group's operations on a group-wide basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Oasis Dental Care (Southern) Holdings Limited.

The development, performance and position of The Oasis Healthcare Group, which includes the Company, is discussed in the Strategic Report contained in the Annual Report of Oasis Healthcare Limited. Neither the Strategic Report nor the Annual Report of Oasis Healthcare Limited forms part of this report.

This report was approved by the board on

*12 August 2014*

and signed on its behalf by:

  
Ash  
Director

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their annual report and the audited financial statements of Oasis Dental Care (Southern) Holdings Limited (the "Company") for the year ended 31 March 2014.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the Company is that of a holding company for a subsidiary engaged in the operation of dental practices.

The directors do not anticipate any material change in the Company's activities in the ensuing year.

#### **DIRECTORS**

The directors who served during the entire year and up to the date of signing the financial statements, unless otherwise stated, were:

J Ash  
C D E Cameron (resigned 7 May 2013)  
D J Leatherbarrow (appointed 7 May 2013)  
J Gonzalez (appointed 4 November 2013)

#### **DIVIDENDS**

The directors do not recommend the payment of a dividend (2013: £Nil) and no dividends have been paid during the year (2013: £Nil).

#### **FUTURE OUTLOOK**

The Company will remain an intermediate holding company in the Group headed by The Oasis Healthcare Group Limited for the foreseeable future.

#### **FINANCIAL RISK MANAGEMENT**

The Group's operations expose it to a variety of financial risks. The directors of The Oasis Healthcare Group Limited manage the Group's risks at group level rather than at an individual company level. For this reason, the Company's directors believe that a discussion of the Company's financial risks is not appropriate here. The principal risks and uncertainties of the The Oasis Healthcare Group Limited Group, which includes those of the Company, are disclosed within the directors' report in the Group's financial statements which does not form part of these financial statements.

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014**

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic report, Directors' 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 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

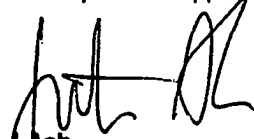
- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors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

#### **INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 12 August 2014

and signed on its behalf by:

  
J. Ash  
Director

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

#### **Report on the company financial statements**

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##### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the Company's affairs as at 31 March 2014 and of its result 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.

This opinion is to be read in the context of what we say in the remainder of this report.

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##### **What we have audited**

The financial statements, which are prepared by Oasis Dental Care (Southern) Holdings Limited, comprise:

- the balance sheet as at 31 March 2014; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation comprises applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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##### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by

fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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#### **Opinions on matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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#### **Other matters on which we are required to report by exception**

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##### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

**OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

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**Directors' remuneration**

Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

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

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**Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.



Colin Bates (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

Date: 26/8/14



**OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**  
**REGISTERED NUMBER: 02848490**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2014**

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

**BALANCE SHEET**  
**AS AT 31 MARCH 2014**

	Note	£000	2014 £000	£000	2013 £000
<b>FIXED ASSETS</b>					
Investments	3		7,535		7,535
<b>CURRENT ASSETS</b>					
Debtors	4	902		902	
<b>CREDITORS:</b> amounts falling due within one year	6	(4,500)		(4,500)	
<b>NET CURRENT LIABILITIES</b>			(3,598)		(3,598)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,937</u>		<u>3,937</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		486		486
Share premium account	8		5,655		5,655
Profit and loss account	8		(2,204)		(2,204)
<b>TOTAL SHAREHOLDERS' FUNDS</b>	9		<u>3,937</u>		<u>3,937</u>

The financial statements on pages 7 to 12 were approved and authorised for issue by the board and were signed on its behalf on *12 August 2014* by:

  
**J. Ash**  
**Director**

The notes on pages 8 to 12 form part of these financial statements.

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, using the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently, is set out below.

The financial statements contain information about Oasis Dental Care (Southern) Holdings Limited as an individual company and do not contain consolidated financial information as the parent undertaking of a group. The Company has taken advantage of the exemption under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it, and its subsidiary undertakings, are included by full consolidation in the consolidated financial statements of its ultimate parent company, The Oasis Healthcare Group Limited, which are publicly available (see note 11).

##### **1.2 Going concern**

The Oasis Healthcare Group Limited and its subsidiary undertakings on consolidation have net liabilities as at 31 March 2014. The Group meets its day to day working capital requirements through cash at bank and term bank loans which are secured by a first debenture incorporating fixed and floating charges over the assets and undertakings of each Group company. The Group has continued to be cash generative since the balance sheet date with the cash generated contributing to the funding of the Group's working capital requirements.

The directors have prepared projections in support of the Group's ongoing compliance with the terms of the loan facilities including the ability of the Group to operate within the financial and non-financial covenants contained in the respective facility agreements ("the covenants"). In preparing the projections the directors have made various assumptions concerning future trading performance, and in particular in relation to expected growth in UDA delivery and private revenue. These projections have been stress tested to determine the level of headroom available within the respective facilities such as to allow the Group to continue to operate within the covenants. The stress testing takes account of the mitigating courses of action available to the Group to enhance the level of such headroom.

Subsequent to the year end the Group has renegotiated its Senior Facility Agreement with its bankers to enable it to fund 2 major acquisitions.

In light of the above, the directors have concluded that it is appropriate to prepare Oasis Dental Care (Southern) Holdings Limited's financial statements on a going concern basis.

##### **1.3 Cash flow statement**

The Company is a wholly-owned subsidiary and is included in the consolidated financial statements of The Oasis Healthcare Group Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a Cash Flow Statement under the terms of Financial Reporting Standard No 1 'Cash Flow Statement' (revised 1996).

##### **1.4 Related party disclosures**

The Company is exempt under the terms of Financial Reporting Standard No 8 'Related Party Disclosures' from disclosing related party transactions with The Oasis Healthcare Group Limited and other wholly owned group companies.

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

#### **1. ACCOUNTING POLICIES (continued)**

##### **1.5 Fixed asset Investments**

Investments are shown at cost less provision for permanent diminution in value.

##### **1.6 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### **1.7 Financial Instruments**

Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

###### **(a) Debtors**

Debtors are non-interest bearing and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts.

###### **(b) Financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that gives a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

###### **(c) Creditors**

Trade creditors are not interest bearing and are stated at their nominal value.

#### **2. TRADING RESULTS**

Emoluments of the directors are borne by Oasis Healthcare Limited, an intermediate parent undertaking, without recharge. The directors of the Company are also directors of a number of other Group companies and it is not possible to make an accurate apportionment of the emoluments in respect of each of the Group companies. Other than the directors the Company had no employees (2013: Nil).

Auditors' remuneration amounting to £Nil (2013: £Nil) is borne by a fellow subsidiary without recharge.

## OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

#### 3. FIXED ASSET INVESTMENTS

Investments  
in  
subsidiary  
companies  
£000

##### Cost or valuation

At 1 April 2013 and 31 March 2014

7,535

##### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name of undertaking	Country of incorporation	Activity
Oasis Dental Care (Southern) Limited	England and Wales	Operation of dental practices

The investment comprises interest in wholly owned subsidiary undertakings.

All of the investments are directly owned. In the opinion of the directors, the value of the Company's investment in its subsidiaries is at least the amount at which it is stated in the financial statements.

#### 4. DEBTORS

	2014 £000	2013 £000
Amounts owed by group undertakings	<u>902</u>	<u>902</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

#### 5. DEFERRED TAXATION

##### Analysis of unprovided deferred taxation

	2014 £000	2013 £000
Tax losses	<u>59</u>	<u>59</u>

Unprovided deferred tax is measured at the tax rate of 20% (2013: 23%) as this is the tax rate that would apply on reversal. The deferred tax asset will be recognised when the directors consider that it is more likely than not that there will be sufficient taxable profits in the future.

# **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

### **6. CREDITORS: Amounts falling due within one year**

	2014 £000	2013 £000
Amounts owed to group undertakings	4,500	4,500

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

### **7. CALLED UP SHARE CAPITAL**

	2014 £000	2013 £000
<b>Allotted, called up and fully paid</b>		
138,750 (2013: 138,750) 'A' ordinary shares of £1 (2013: £1) each	139	139
11,250 (2013: 11,250) 'B' ordinary shares of £1 (2013: £1) each	11	11
836,410 (2013: 836,410) 'B' ordinary shares of £0.10 (2013: £0.10) each	84	84
1,056,666 (2013: 1,056,666) 'C' ordinary shares of £0.10 (2013: £0.10) each	105	105
750,000 (2013: 750,000) 'D' ordinary shares of £0.10 (2013: £0.10) each	75	75
716,049 (2013: 716,049) 'E' ordinary shares of £0.10 (2013: £0.10) each	72	72
	<b>486</b>	<b>486</b>

The above shares are entitled to a cumulative participating dividend at a rate of 30% of the profit on ordinary activities before taxation. No dividends are paid in the event that the Company has insufficient profits available for distribution. The shares have been classified as equity given that it is not the intention of the Company to recommence trading.

The shares rank in the following order of priority. The share issue price (and arrears of dividends) are to be repaid to "E" ordinary shareholders, then "D" and "C" ordinary shareholders, and then "B" and "A" ordinary shareholders. Any remaining balance of assets shall be distributed to all of the ordinary shareholders in proportion to the amounts paid up on the ordinary shares.

Further details are included in the Company's Articles of Association which are available from the company secretary at the Registered Office.

### **8. RESERVES**

	Share premium account £000	Profit and loss account £000
At 1 April 2013 and 31 March 2014	5,655	(2,204)

## **OASIS DENTAL CARE (SOUTHERN) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014**

#### **9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Shareholders' funds at 1 April 2013 and 31 March 2014.	<b>3,937</b>	<b>3,937</b>

#### **10. CONTINGENT LIABILITIES**

The Company is a member of the Group banking arrangement under which it is party to unlimited cross guarantees in respect of the banking facilities of other Group undertakings, amounting to £93,800,000 at 31 March 2014 (2013: £83,503,000). The directors do not expect any material loss to arise in respect of the guarantees.

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

On 7 May 2013, The Oasis Healthcare Group Limited ultimately acquired Duke Street Capital Oasis Holdings Limited through its subsidiary, Oasis Healthcare Bidco Limited. Accordingly the ultimate controlling party changed to The Oasis Healthcare Group Limited from Duke Street Capital Oasis Holdings Limited.

As at 31 March 2014 the directors consider that the Company's ultimate parent undertaking is certain funds managed by Bridgepoint, an independent private equity group. The smallest group for which group financial statements will be prepared is Oasis Healthcare Limited and the largest group is The Oasis Healthcare Group Limited.