

**PROPATH (UK) LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 JUNE 2019**

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	4	237,822	457,271
Investments	5	224,599	39,709
		<u>462,421</u>	<u>496,980</u>
<b>CURRENT ASSETS</b>			
Stocks	6	115,562	86,050
Debtors: amounts falling due after more than one year	7	20,010	-
Debtors: amounts falling due within one year	7	419,797	3,109,712
Cash at bank and in hand		875,478	890,761
		<u>1,430,847</u>	<u>4,086,523</u>
Creditors: amounts falling due within one year	8	(203,041)	(212,422)
<b>NET CURRENT ASSETS</b>		<u>1,227,806</u>	<u>3,874,101</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,690,227</u>	<u>4,371,081</u>
Creditors: amounts falling due after more than one year	9	-	(113,883)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred tax		(37,723)	(41,330)
		<u>(37,723)</u>	<u>(41,330)</u>
<b>NET ASSETS</b>		<u><u>1,652,504</u></u>	<u><u>4,215,868</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		5,000	5,000
Capital redemption reserve		5,000	5,000
Fair value reserve		44,891	-
Profit and loss account		1,597,613	4,205,868
		<u><u>1,652,504</u></u>	<u><u>4,215,868</u></u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 JUNE 2019**

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The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**Dr K Soni**  
Director

Date: 15 May 2020

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**1. GENERAL INFORMATION**

Propath (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Willow Court, Netherwood Road, Hereford, HR2 6JU.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

**2.2 GOING CONCERN**

The director continues to monitor the financial situation arising from the Covid-19 impact. Costs within the business can be scaled back and additional avenues for new revenue streams within the health sector can be explored. The director considers the business to have sufficient resources to continue to trade for a period of at least 12 months.

**2.3 FOREIGN CURRENCY TRANSLATION**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**2.4 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.5 PENSIONS**

**DEFINED CONTRIBUTION PENSION PLAN**

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

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

**2.6 CURRENT AND DEFERRED TAXATION**

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

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

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

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

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

**2.7 EXCEPTIONAL ITEMS**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.8 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	2%	straight line
Plant and machinery	-	20%	reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**2.9 VALUATION OF INVESTMENTS**

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period.

**2.10 STOCKS**

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

**2.11 DEBTORS**

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

**2.12 CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.13 CREDITORS**

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

**2.14 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.15 DIVIDENDS**

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

**3. EMPLOYEES**

The average monthly number of employees, including directors, during the year was 35 (2018: 30).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019

4. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and machinery £	Total £
<b>COST OR VALUATION</b>			
At 1 July 2018	352,596	425,701	778,297
Additions	-	37,335	37,335
Disposals	(352,596)	-	(352,596)
At 30 June 2019	-	463,036	463,036
<b>DEPRECIATION</b>			
At 1 July 2018	152,728	168,298	321,026
Charge for the year on owned assets	-	56,916	56,916
Disposals	(152,728)	-	(152,728)
At 30 June 2019	-	225,214	225,214
<b>NET BOOK VALUE</b>			
At 30 June 2019	-	237,822	237,822
At 30 June 2018	199,868	257,403	457,271



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019

5. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Total £
<b>COST OR VALUATION</b>			
At 1 July 2018	39,709	-	39,709
Additions	49,999	112,500	162,499
Revaluations	44,891	-	44,891
	<hr/>	<hr/>	<hr/>
At 30 June 2019	134,599	112,500	247,099
	<hr/>	<hr/>	<hr/>
<b>IMPAIRMENT</b>			
Charge for the period	-	22,500	22,500
	<hr/>	<hr/>	<hr/>
At 30 June 2019	-	22,500	22,500
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 30 June 2019	<u>134,599</u>	<u>90,000</u>	<u>224,599</u>
At 30 June 2018	<u>39,709</u>	<u>-</u>	<u>39,709</u>

**Historic cost**

The historic cost of the listed investments as at 30 June 2019 is £89,708 (2018: £39,709).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019

6. STOCKS

	2019 £	2018 £
Work in progress	47,723	33,393
Finished goods and goods for resale	67,839	52,657
	<u>115,562</u>	<u>86,050</u>

7. DEBTORS

	2019 £	2018 £
<b>DUE AFTER MORE THAN ONE YEAR</b>		
Other debtors	20,010	-
	<u>20,010</u>	<u>-</u>
	2019 £	2018 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	244,192	339,009
Amounts by other group companies	-	2,287,621
Other debtors	49,702	135,555
Prepayments and accrued income	118,580	347,527
Tax recoverable	7,323	-
	<u>419,797</u>	<u>3,109,712</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans	-	55,183
Trade creditors	55,142	75,582
Amounts owed to group undertakings	100,000	-
Corporation tax	-	13,131
Other taxation and social security	40,888	35,171
Other creditors	4,210	3,074
Accruals and deferred income	2,801	30,281
	<u>203,041</u>	<u>212,422</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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

	2019 £	2018 £
Bank loans	-	113,883
	<u>-</u>	<u>113,883</u>

**10. LOANS**

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Bank loans	-	55,183
	<u>-</u>	<u>55,183</u>
<b>AMOUNTS FALLING DUE 1-2 YEARS</b>		
Bank loans	-	113,883
	<u>-</u>	<u>113,883</u>
	<u>-</u>	<u>169,066</u>

The bank loan previously outstanding in 2019 was secured through a fixed charge over the leasehold property at Willow Court and also a debenture in favour of Lloyds Bank Plc.

**11. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £22,434 (2018: £16,138). Contributions totalling £4,210 (2018: £Nil) were payable to the fund as at year end and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**12. COMMITMENTS UNDER OPERATING LEASES**

At 30 June 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	-	10,730
Later than 1 year and not later than 5 years	-	16,935
Later than 5 years	-	2,142
	<u>-</u>	<u>29,807</u>

**13. RELATED PARTIES**

On 19th November 2018 Propath Group Holdings Limited acquired 100% of the issued share capital of Propath (UK) Limited from Cambridge Capital Investments Limited as part of a group restructure and became the ultimate parent company. The registered office of Propath Group Holdings Limited is Willow Court, Netherwood Road, Hereford, United Kingdom, HR2 6JU. The beneficial ownership of Propath UK Limited remains unchanged.

During the year the company paid dividends amounting to £3,911,924 to its parent company.

The company maintains interest free loan accounts with companies controlled by the director which are unsecured and repayable on demand. At the balance sheet date the company owed £100,000 to (2018: £2,287,621 from) companies controlled by the director.

The company maintains an interest free loan account with the director which is unsecured and repayable on demand. At the balance sheet date £4,702 was owed from (2018: £3,052 owed to) the director.

**14. AUDITORS' INFORMATION**

The auditors' report on the financial statements for the year ended 30 June 2019 was unqualified.

The audit report was signed on 18 May 2020 by Ria Burrridge FCCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.

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.