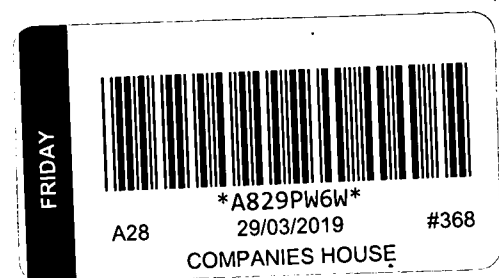


PROPATH (UK) LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 JUNE 2018



PROPATH (UK) LIMITED
REGISTERED NUMBER:03224075

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	5	457,271	343,023
Investments	6	39,709	39,709
		<u>496,980</u>	<u>382,732</u>
CURRENT ASSETS			
Stocks	7	86,050	132,926
Debtors: amounts falling due within one year	8	3,109,690	3,183,071
Cash at bank and in hand		890,761	470,403
		<u>4,086,501</u>	<u>3,786,400</u>
Creditors: amounts falling due within one year	9	(212,400)	(409,164)
NET CURRENT ASSETS		<u>3,874,101</u>	<u>3,377,236</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,371,081</u>	<u>3,759,968</u>
Creditors: amounts falling due after more than one year	10	(113,883)	(153,587)
PROVISIONS FOR LIABILITIES			
Deferred tax		(41,330)	(22,035)
		<u>(41,330)</u>	<u>(22,035)</u>
NET ASSETS		<u>4,215,868</u>	<u>3,584,346</u>
CAPITAL AND RESERVES			
Called up share capital		5,000	5,000
Capital redemption reserve		5,000	5,000
Profit and loss account		4,205,868	3,574,346
		<u>4,215,868</u>	<u>3,584,346</u>

PROPATH (UK) LIMITED
REGISTERED NUMBER:03224075

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2018

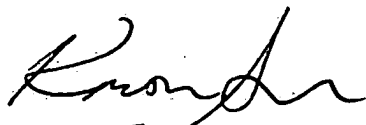
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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:

28/3/2019

The notes on pages 3 to 10 form part of these financial statements.

PROPATH (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 (see note 3).

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The director believes that the company is experiencing good levels of sales growth and profitability, and that it is well placed to manage its business risks successfully. Accordingly he has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis of accounting in preparing the financial statements

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 2018**

2. ACCOUNTING POLICIES (continued)

2.5 INTEREST INCOME

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 FINANCE COSTS

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

2.7 BORROWING COSTS

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.8 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.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

2. ACCOUNTING POLICIES (continued)

2.10 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.

2.11 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.

2.12 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.

2.13 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.

2.14 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 2018**

2. ACCOUNTING POLICIES (continued)

2.15 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.

2.16 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.

2.17 FINANCIAL INSTRUMENTS

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at year end and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 30 (2017:38).

PROPATH (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

5. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and machinery £	Total £
COST OR VALUATION			
At 1 July 2017	352,596	249,209	601,805
Additions	-	189,011	189,011
Disposals	-	(12,519)	(12,519)
At 30 June 2018	352,596	425,701	778,297
DEPRECIATION			
At 1 July 2017	145,676	113,106	258,782
Charge for the year on owned assets	7,052	65,516	72,568
Disposals	-	(10,324)	(10,324)
At 30 June 2018	152,728	168,298	321,026
NET BOOK VALUE			
At 30 June 2018	199,868	257,403	457,271
At 30 June 2017	206,920	136,103	343,023

6. FIXED ASSET INVESTMENTS

	Listed investments £
COST OR VALUATION	
At 1 July 2017	39,709
At 30 June 2018	39,709

Fixed Asset Investments Revalued

Listed investments are held at cost and as the change in market value is not large the investment is not adjusted. The market value at 30 June 2018 is £64,838 (2017: £55,829).

PROPATH (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

7. STOCKS

	2018 £	2017 £
Work in progress	33,393	51,627
Finished goods and goods for resale	52,657	81,299
	<u>86,050</u>	<u>132,926</u>

8. DEBTORS

	2018 £	2017 £
Trade debtors	339,009	329,674
Amounts by other group companies	2,287,621	2,234,178
Other debtors	135,533	249,286
Prepayments and accrued income	347,527	361,712
Tax recoverable	-	8,221
	<u>3,109,690</u>	<u>3,183,071</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans	55,183	55,183
Trade creditors	75,582	58,035
Corporation tax	13,131	123,747
Other taxation and social security	35,171	17,977
Other creditors	3,052	134,942
Accruals and deferred income	30,281	19,280
	<u>212,400</u>	<u>409,164</u>

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

PROPATH (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans	113,883	153,587
	113,883	153,587

11. LOANS

Analysis of the maturity of loans is given below:

	2018 £	2017 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	55,183	55,183
	55,183	55,183
AMOUNTS FALLING DUE 1-2 YEARS		
Bank loans	113,883	153,587
	113,883	153,587
	169,066	208,770

12. 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 £16,138 (2017: £19,848). Contributions totalling £Nil (2017: £5,312) were payable to the fund as at year end and are included in creditors.

PROPATH (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

13. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	10,730	10,800
Later than 1 year and not later than 5 years	16,935	29,956
Later than 5 years	2,142	-
	<u>29,807</u>	<u>40,756</u>

14. RELATED PARTY TRANSACTIONS

Under the provisions of FRS 102 related party transactions with group companies are not disclosed.

During the year Dr K Soni, the director of the company, was reimbursed for expenditure incurred on behalf of the company for £9,040 (2017: £3,991). At the year end there was £3,052 included in other creditors.

At the reporting date £15,000 (2017: £15,000) was owed to Healthcare Capital Ltd, a company in which Dr K Soni is a director.

15. CONTROLLING PARTY

After the year end, the group was restructured. The original holding company for both Xograph Healthcare Limited and Propath (UK) Limited, Cambridge Capital Investments Limited, was dissolved on 16 November 2018. New Holding companies were set up for both Xograph Healthcare Limited and Propath (UK) Limited, being Xograph Group Holdings Limited and Propath Group Holdings Limited. The company was controlled throughout the period by Dr K Soni, the director. Copies of the group accounts will be available at the parent's registered office once Propath Group Holdings Limited files its first accounts.

16. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 30 June 2018 was unqualified.

The audit report was signed on 29/5/19 by David Butler FCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.