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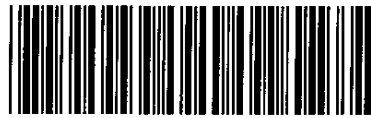
Registered number: 08405422

THE OASIS HEALTHCARE GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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THE OASIS HEALTHCARE GROUP LIMITED

COMPANY INFORMATION

Directors	S J Preddy (resigned 19 November 2019) C A Richardson G Pueyo Roberts (appointed 1 February 2019) J S H Wright
Company secretary	Bupa Secretaries Limited
Registered number	08405422
Registered office	Bupa Dental Care Vantage Office Park Old Gloucester Road, Hambrook Bristol BS16 1GW
Independent auditor	KPMG LLP Chartered Accountants 66 Queen Square Bristol BS1 4BE

THE OASIS HEALTHCARE GROUP LIMITED

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THE OASIS HEALTHCARE GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present the Group Strategic Report of The Oasis Healthcare Group Limited (the "Group") for the year ended 31 December 2019.

Business review

The results for the year show an operating loss of £29,702,000 (2018 - profit £1,229,000) and a loss for the financial year of £28,548,000 (2018 - loss £2,799,000).

The Board considers that EBITDAE provides the most meaningful basis for assessing the underlying performance of the Group, albeit that these terms are not defined by United Kingdom Generally Accepted Accounting Practice and therefore may not be directly comparable with other companies' adjusted profit measures. EBITDAE has decreased by 35% from £42,965,000 for the year ended 31 December 2018 to £28,036,000 for the year ended 31 December 2019.

During the year, the Group made a number of acquisitions of individual dental practices and small groups of dental practices, increasing the number of practices from 449 at 31 December 2018 to 494 at 31 December 2019. This has further strengthened the Group's position as the UK's largest provider of private dental care and a major provider to the NHS.

COVID-19

On March 11, 2020, the World Health Organization declared Coronavirus COVID-19 a pandemic, due to its rapid spread throughout the world. Most governments are taking restrictive measures to contain the spread and the situation is significantly affecting the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in the volatility of asset prices, exchange rates and a decrease in long-term interest rates.

As the implications of COVID-19 are indicative of conditions that arose after the end of the reporting period end, it is a subsequent event that does not require any adjustments to the annual accounts for the financial year 2019. Whilst it is not possible, at this stage, to accurately estimate the financial impacts of this crisis, the Directors note, as at the date of approval of these financial statements that there have been operational disruptions to the business with most practices only able to offer telephone triage and emergency dental treatment, whilst 20 of our practices in Ireland are closed. In order to mitigate the financial impact of COVID-19, the Directors have implemented various cost savings in the Group, such as reducing travel costs, undertaking rental negotiations and obtaining rates relief. As at the date of approval of these financial statements, it is not currently considered that there are any significant doubts over the Company's ability to continue as a going concern for at least a year from the date of approval of these financial statements as there is on-going support from our parent company. We continue to monitor our business for potential impacts and to manage the associated risks.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks and uncertainties. The key business risks and uncertainties affecting the Group are set out below. Risks are formally reviewed by the Board and appropriate processes are put in place to monitor and mitigate them.

Competition

During the period, the Group completed on many acquisitions and mergers, which has increased its national footprint across the UK, increasing the number of practices from 449 at 31 December 2018 to 494 at 31 December 2019. Given the fragmented nature of the market, with a high volume of small and geographically limited providers, the corporate exposure to competition is mitigated through the development and embedding of a strong national brand identity, national presence and clinical compliance framework.

THE OASIS HEALTHCARE GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Principal risks and uncertainties (continued)

Human resources

The Group's ability to recruit and retain dentists is key to the future growth of the business. The Group has established policies to manage recruitment and retention, such as the Group's "Fitness to Practice" training programme, as well as developing links with dental schools both in the UK and Europe to provide a flow of well qualified dental practitioners. The Group's associate contract for self-employed dentists aims to motivate, incentivise and retain those practitioners through the provision of self-employed revenue sharing.

Clinical standards

It is of the upmost importance to the Group that the clinical care delivered to our patients is at a standard expected from the Group, by patients, industry forums and regulatory authorities. The Board has established a formal organisational structure that allows clinical policies and procedures to be developed and ensure day-to-day compliance monitoring. The Board is supported by a separate Dental Care Board comprised of eminent people in healthcare, including dentistry. This is further supported by Regional Clinical Service Advisors each of whom is a qualified dental practitioner and an external audit clinical team to ensure compliance with Care Quality Commission (CQC) standards. The Group also has a Clinical Director who reports directly to the Managing Director. Rigorous monitoring of standards and the continued development and training of the Group's dentists is applied. The Board have further mitigated any risk by ensuring that suitable insurance policies are taken out at both an individual and corporate level.

Acquisitions

The Group's strategy involves growing the business through both organic and non-organic growth. The non-organic growth involves the acquisition of individual practices and dental bodies corporate with multiple practices. The risk to growth through the availability of suitable acquisitions together with competition within the corporate dental care sector is minimised by a dedicated acquisitions team.

IT and finance systems

Reliable and robust IT and financial systems and processes that enable practices and central services to operate effectively and efficiently are of paramount importance. An infrastructure investment programme is in place to ensure that network, practice and financial IT hardware and software are upgraded and replaced on an ongoing basis. Risk of failure in IT systems is mitigated by a dedicated IT team, appropriate external IT service and hosting providers and a disaster recovery programme. Finance systems, processes and controls are managed by an experienced and qualified finance team to support business needs and pay dentists, suppliers and employees accurately and on a timely basis.

Brexit

The Group continues to monitor the impact of Brexit as the political landscape changes and contingency plans are in place to ensure a minimum of disruption to the business.

The Group has been impacted by a market-wide shortage of dentists exacerbated by Brexit which led to significantly reduced recruitment from the EU. In order to minimise the risk for the business, the Group introduced pay increases for dental nurses and supported career development for our colleagues through management academies and apprenticeships.

THE OASIS HEALTHCARE GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Financial key performance indicators

The performance of the business is monitored at various levels from Group level down through region, area and practice level to individual dentists. Management accounts are produced and reviewed on a monthly basis. The key financial measures the Directors consider as important are turnover, gross margin and EBITDAE. The Directors also monitor the split of income between private and NHS.

	2019	2018
Turnover (£000)	446,964	399,513
Turnover by type of activity (£000)		
Provision of NHS dental services	160,370	160,629
Provision of private dental services	286,594	238,884
Gross margin (%)	47	47
EBITDAE (£000)	28,036	42,965
EBITDAE margin (%)	6	11

Non-GAAP EBITDAE

	2019 £000	2018 £000
Loss on ordinary activities before taxation	(30,675)	(3,579)
Adjustments for:		
Exceptional administrative expenses	12,649	5,070
Interest payable and similar expenses	973	4,811
Interest receivable and similar income	-	(3)
Amortisation of goodwill and intangible assets	30,470	24,036
Depreciation of tangible fixed assets	14,619	12,630
EBITDAE	28,036	42,965

Other key performance indicators

The Board has continued to monitor business performance using the following key non-financial performance indicators:

	2019	2018
Total practices	494	449
Total active patients*	2,901,067	2,510,407
CQC compliance (%)	100	100
Private Like For Like (LFL) growth (%)	2	1
Units of Dental Activity (UDA) LFL delivery (%)	85	89

* active patients are defined as patients who have visited a practice within the last 24 months.

THE OASIS HEALTHCARE GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Directors' statement of compliance with duty to promote the success of the Group

Engaging with our stakeholders (section 172(1) statement)

The Board has a duty to promote the success of the Group for the benefit of its members as a whole having regard to the interests of our customers, our people, our relationship with our suppliers and the impact of our operations on the communities in which we operate, and to ensure that we maintain a reputation for high standards of business conduct.

Our key stakeholders are our customers and our people. Our suppliers, regulators and the communities we operate in are also important stakeholder groups. All key Board decisions take into account the impact on relevant stakeholders. Increasingly, stakeholders are looking to understand our performance across multiple areas from performance to products and services, innovation, governance, workplace practices and corporate citizenship. The Board endeavours to gain an understanding of the perceptions and attitudes of each stakeholder group and the weight they give to different issues. Where the views of different stakeholder groups do not align, the Board must decide on the best course of action to promote the Group's long-term success.

Customers

Customers are at the heart of our business. We aim to deliver truly outstanding, customer experiences, ensuring great clinical outcomes and value for money.

People

As a service organisation, our people are key to our business. We want our people to feel engaged and empowered to deliver great outcomes for our customers and be healthier and happier themselves. A twice-yearly people survey (People Pulse) is run across the Group in order to assess engagement across the Group.

Key issues for employees across the Group, based on the People Pulse survey include:

- Group Prospects – being excited about the Group's future;
- Customer focus – helping to deliver a great customer experience
- Collaboration – focusing on efficient and effective working practices across teams;
- Empowerment – feeling empowered to make decisions regarding their work.

Our approach is led locally with all teams planning actions in the light of the People Pulse results and the Board and management team have engaged with our people on the issues important to them.

Regulators

The Group's dental centres are regulated by the Care Quality Commission (CQC) and other relevant regulators. Regulators ultimately aim to protect customers and ensure that they receive high levels of care and are treated fairly. This clearly aligns with our strategy to put our customers front and centre.

Our regulators expect us to:

- have robust and effective processes and controls in place to mitigate risks to protect our customers
- provide a high-quality, clinically robust services
- ensure we operate in a sustainable way

The business has an open and honest relationship with the CQC and self-reports incidents. We work with the CQC to ensure we meet regulatory requirements and we act quickly to address any issues or concerns raised.

Suppliers

Suppliers are critical to delivering a high-quality service to our customers and include systems suppliers and suppliers of products to our dental centres. We aim to treat our suppliers fairly and pay them within agreed timescales, holding ourselves to high standards of business conduct. We work with our suppliers to ensure that they have effective controls in place to protect our customers' health and safety and the security and privacy of their data.

THE OASIS HEALTHCARE GROUP LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Engaging with our stakeholders (section 172(1) statement)(continued)

Communities and environment

We play an active role in the communities in which we operate and take care of the environment. We evaluate the business risks and opportunities associated with climate change, closely managing our environmental impact and actively promoting positive environmental practices.

This report was approved by the board on 22 April 2020 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'J S H Wright', with a large checkmark-like flourish at the end.

J S H Wright
Director

THE OASIS HEALTHCARE GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their report and the financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the Company is that of a holding company. The principle activity of the Group is the operation of dental practices and provision of dental services.

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

On 12 December 2019, the Company acquired 100% of the issued share capital of Oasis Healthcare Limited for a consideration of £94,340,000. On 12 December 2019, Oasis Healthcare Limited issued a further 1,000,000,000 ordinary shares of £0.01 each for a consideration of £10,000,000.

On 12 December 2019, the Company acquired a further 117,313,160 ordinary shares of £1 each in Oasis Healthcare Midco 1 Limited for a consideration of £117,313,000 and impaired its investment in Oasis Healthcare Midco 1 Limited by £163,568,000 to bring the carrying value in line with the underlying net assets.

During the year, The Oasis Healthcare Group Limited undertook a capital restructure to simplify its share capital by redeeming the legacy preference shares and redesignating the existing classes of ordinary shares into a single class of ordinary shares.

On 17 May 2019, the Company redeemed all the preference shares held by Bupa Finance plc (the Company's immediate parent company), at £0.0001 per share, for a total consideration of £6,849.70. Bupa Finance plc had entered into a deed of waiver of dividend, waiving all of their right and entitlements to all outstanding dividends and accruals in respect of the preference shares.

On 17 May 2019, the 48,000,770,000 A ordinary shares of £0.01 each were consolidated into 480,007,700 A ordinary shares of £1 each, the 230,000 B ordinary shares of £0.01 each were consolidated into 2,300 B ordinary shares of £1 each, the 250,040 C ordinary shares of £0.0125 each were consolidated into 3,125.5 C ordinary shares of £1.00 each and the Company purchased 0.5 C ordinary shares of £1 each from Bupa Finance plc for a total consideration of £0.50.

On 12 December 2019, the Company issued 117,313,160 ordinary shares of £1 for a consideration of £117,313,160 and then reduced its share capital from £597,326,285 to £1 and its £990,000 share premium to £nil. This £598,316,000 has been accounted for in the capital redemption reserve.

Results and dividends

The loss for the year, after taxation, amounted to £28,548,000 (2018 - loss £2,799,000).

The Directors do not recommend the payment of any other dividend and no other dividends have been paid during the year (2018 - £nil).

Directors

The Directors who served during the year were:

S J Preddy (resigned 19 November 2019)
C A Richardson
G Pueyo Roberts (appointed 1 February 2019)
J S H Wright

Future developments

The Group will continue to increase its provision of NHS dentistry whilst also maintaining a firm commitment to private dentistry. The Group will seek to develop a range of affordable, fixed price offerings including orthodontics, implants and facial aesthetics. This will ensure that the Group continues to develop a strong national brand in order to combat competition from local providers.

THE OASIS HEALTHCARE GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Engagement with employees

Employees are kept informed of the operational and financial developments of the Group through meetings, practice newsletters and the intranet. Dentists undertake a "Fitness to Practice" induction programme before new practices are opened, ensuring that a high quality of service is delivered. For overseas dentists practicing in the UK for the first time, this is tailored to the needs of the individual. The Group also assists overseas dentists with integrating into the local community.

Our annual conference is our key forum to bring dentists, staff, support teams and suppliers together, discussing Oasis' progress, plans and quality initiatives.

All Oasis dentists and employees have the opportunity to develop and progress. As well as regular updates at the Support Centre in Bristol, practices work together in local clusters to benefit the teams with improved networking, increased referral activity, comprehensive clinical and business management support, targeted investment and local decision making.

Disabled employees

All practical arrangements are made to accommodate disabled persons into employment. Those who become disabled whilst in the Group's employment are retrained and/or transferred to alternative jobs as appropriate. All employees are eligible for appropriate training, career development and promotion opportunities and disabled people are not treated any differently in this respect.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the 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 they have elected to prepare the group and parent financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Group and parent company and of the profit or loss of the Group for that period.

In preparing each of the Group and parent company 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;*
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;*
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE OASIS HEALTHCARE GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Financial risk management

The Group's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate cash flow risk. Given the size of the Group, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the Board of Directors are implemented by the Group's finance department.

Credit risk

The Group has implemented policies that require non-NHS funded balances to be settled upon the treatment occurring. Our credit risk primarily relates to the NHS and is therefore considered to be low.

Liquidity risk

The Group maintains cash balances and short-term debt finance that is designed to ensure the Group has sufficient available funds for operations and planned expansions and acquisitions.

Interest rate cash flow risk

The Group has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances which earn interest at a floating rate. The Directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

Statement of corporate governance arrangements

Workforce engagement

Culture and our people

The Board is responsible for establishing the values and strategy and ensuring that our culture is aligned to these at all levels of the organisation. In order to do our best for our customers, we need to take care of our people and this will lead to strong and sustainable performance for the benefit of our purpose of helping people live longer, healthier, happier lives.

Our culture is shaped by our values and the Bupa Code which sets out what we expect from our people to help them live our values and achieve our purpose. All employees are required to complete mandatory training on the Bupa Code and other areas including information security and privacy, risk management, conflicts of interest and financial crime.

The Board monitors behaviours in a number of ways including:

- measuring our people's engagement level through our People Pulse survey tool semi-annually
- considering semi-annually the level of, and themes arising from, reports received through our 'Speak-Up' whistleblowing process and customer complaints
- taking into account how our people have lived our values and followed the Bupa Code in achieving their performance goals.

Listening

The Group listens to its people and promotes a positive, flexible working environment and a diverse and inclusive culture so everyone can be their authentic selves at work. Our People Pulse survey tool provides sophisticated insights and benchmarking with other companies, so we can learn and listen to what is of interest or concern to our people and act, where appropriate, on what our people are telling us. The survey is run twice a year, and 70% of our people took part in the survey conducted in November 2019. The Board receives reports on the results of each survey and challenges management on the level of participation and action taken to address key themes arising from the results. Overall, the Group's engagement score increased by 2 percent to 71 out of 100.

Mental health and wellbeing

Our approach to mental health focuses on raising awareness, creating supportive workplaces, encouraging open conversations and providing access to support and care. We are raising awareness of mental wellbeing in the workplace, encouraging open conversations and providing access to support and care through regular internal communications, campaigns such as for World Mental Health Day, online information, our Performance Energy resilience programme and training mental health first aiders.

THE OASIS HEALTHCARE GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Disclosure of information to auditor

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

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the 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 and the Group's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board on 22 April 2020 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'J S H Wright', with a large checkmark-like flourish at the end.

J S H Wright
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OASIS HEALTHCARE GROUP LIMITED

Opinion

We have audited the financial statements of The Oasis Healthcare Group Limited (the 'Company') for the year ended 31 December 2019, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2019 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this Auditor's Report is not a guarantee that the Group or the Company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OASIS HEALTHCARE GROUP LIMITED (CONTINUED)

Strategic Report and Directors' Report

The Directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in the Directors' Responsibilities Statement on page 7, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent 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 they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

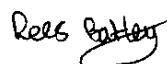
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an Auditor's Report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OASIS HEALTHCARE GROUP LIMITED
(CONTINUED)**

The purpose of our audit work and to whom we owe our responsibilities

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 Auditor's 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 for our audit work, for this report, or for the opinions we have formed.



Rees Batley (Senior Statutory Auditor)

for and on behalf of
KPMG LLP, Statutory Auditor

Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

23 April 2020

THE OASIS HEALTHCARE GROUP LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
Turnover	4	446,964	399,513
Cost of sales		(236,071)	(210,063)
Gross profit		210,893	189,450
Administrative expenses		(229,761)	(184,985)
Exceptional administrative expenses	5	(12,649)	(5,070)
Other operating Income		1,815	1,834
Operating (loss)/profit	6	(29,702)	1,229
Interest receivable and similar income	10	-	3
Interest payable and expenses	11	(973)	(4,811)
Loss before taxation		(30,675)	(3,579)
Tax on loss	12	2,127	780
Loss for the financial year		(28,548)	(2,799)
Exchange differences arising on consolidation of foreign subsidiaries		(699)	208
Total comprehensive expense for the year		(29,247)	(2,591)
Loss for the year attributable to:			
Owners of the parent Company		(28,548)	(2,799)
Total comprehensive expense for the year attributable to:			
Owners of the parent Company		(29,247)	(2,591)

The notes on pages 18 to 51 form part of these financial statements.

THE OASIS HEALTHCARE GROUP LIMITED
REGISTERED NUMBER:08405422

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Fixed assets			
Intangible assets	13	521,735	427,060
Tangible assets	14	102,775	83,233
		<u>624,510</u>	<u>510,293</u>
Current assets			
Stocks	16	8,191	6,081
Debtors: amounts falling due within one year	17	38,220	36,735
Cash at bank and in hand		9,096	7,971
		<u>55,507</u>	<u>50,787</u>
Creditors: amounts falling due within one year	18	(171,512)	(87,293)
Net current liabilities		<u>(116,005)</u>	<u>(36,506)</u>
Total assets less current liabilities		<u>508,505</u>	<u>473,787</u>
Creditors: amounts falling due after more than one year	19	(4,588)	(75,696)
Provisions for liabilities			
Deferred taxation	22	(31,213)	(23,148)
Other provisions	23	(10,377)	(683)
		<u>(41,590)</u>	<u>(23,831)</u>
Net assets		<u><u>462,327</u></u>	<u><u>374,260</u></u>
Capital and reserves			
Called up share capital	24	-	480,013
Share premium account	25	-	989
Capital redemption reserve	25	598,316	-
Foreign exchange reserve	25	(218)	481
Profit and loss account	25	(135,771)	(107,223)
Shareholders' funds		<u><u>462,327</u></u>	<u><u>374,260</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 April 2020.



J S H Wright
Director

The notes on pages 18 to 51 form part of these financial statements.

THE OASIS HEALTHCARE GROUP LIMITED
REGISTERED NUMBER:08405422

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Fixed assets			
Investments	15	104,340	46,255
Current assets			
Debtors: amounts falling due within one year	17	351,928	491,134
Creditors: amounts falling due within one year	18	(45,928)	(31,145)
Net current assets		<u>306,000</u>	<u>459,989</u>
Total assets less current liabilities		<u>410,340</u>	<u>506,244</u>
Creditors: amounts falling due after more than one year	19	-	(68,497)
Net assets		<u><u>410,340</u></u>	<u><u>437,747</u></u>
Capital and reserves			
Called up share capital	24	-	480,013
Share premium account	25	-	989
Capital redemption reserve	25	598,316	-
Profit and loss account	25	(187,976)	(43,255)
Shareholders' funds		<u><u>410,340</u></u>	<u><u>437,747</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 April 2020.



J S H Wright
Director

The notes on pages 18 to 51 form part of these financial statements.

THE OASIS HEALTHCARE GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Foreign exchange reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2019	480,013	989	-	481	(107,223)	374,260
Comprehensive expense for the year						
Loss for the year	-	-	-	-	(28,548)	(28,548)
Exchange differences arising on the consolidation of foreign subsidiaries	-	-	-	(699)	-	(699)
Purchase of own shares	-	-	598,316	-	-	598,316
Shares issued during the year	117,313	-	-	-	-	117,313
Share premium reduction	-	(989)	-	-	-	(989)
Share capital reduction	(597,326)	-	-	-	-	(597,326)
At 31 December 2019	-	-	598,316	(218)	(135,771)	462,327

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £000	Share premium account £000	Foreign exchange reserve £000	Profit and loss account £000	Shareholders' funds/(deficit) £000
At 1 January 2018	13	989	273	(112,852)	(111,577)
Comprehensive expense for the year					
Loss for the year	-	-	-	(2,799)	(2,799)
Exchange differences arising on the consolidation of foreign subsidiaries	-	-	208	-	208
Dividend on preference shares forgiven by parent company	-	-	-	8,428	8,428
Shares issued during the year	480,000	-	-	-	480,000
At 31 December 2018	480,013	989	481	(107,223)	374,260

The notes on pages 18 to 51 form part of these financial statements.

THE OASIS HEALTHCARE GROUP LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2019	480,013	989	-	(43,255)	437,747
Comprehensive expense for the year					
Loss for the year	-	-	-	(144,721)	(144,721)
Contributions by and distributions to owners					
Purchase of own shares	-	-	598,316	-	598,316
Shares issued during the year	117,313	-	-	-	117,313
Share premium reduction	-	(989)	-	-	(989)
Share capital reduction	(597,326)	-	-	-	(597,326)
At 31 December 2019	-	-	598,316	(187,976)	410,340

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Shareholders' funds/(deficit) £000
At 1 January 2018	13	989	(47,642)	(46,640)
Comprehensive expense for the year				
Loss for the year	-	-	(4,041)	(4,041)
Dividend on preference shares forgiven by parent company	-	-	8,428	8,428
Contributions by and distributions to owners				
Shares issued during the year	480,000	-	-	480,000
At 31 December 2018	480,013	989	(43,255)	437,747

The notes on pages 18 to 51 form part of these financial statements.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is: Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Group's financial statements are presented in Sterling, which is also the Group's functional currency, and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

Parent Company disclosure exemptions

In preparing the separate financial statements of the parent *Company*, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No Statement of Cash Flows has been presented for the parent *Company*;
- Disclosures in respect of the parent *Company's* financial instruments have not been presented as equivalent disclosures have been provided in respect of the Company as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent *Company* as their remuneration is included in the totals for the Company as a whole.

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of The British United Provident Association Limited as at 31 December 2019 and these financial statements may be obtained from BUPA, 1 Angel Court, London, EC2R 7HJ.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2014.

2.4 Going concern

On March 11, 2020, the World Health Organization declared Coronavirus COVID-19 a pandemic, due to its rapid spread throughout the world. Most governments are taking restrictive measures to contain the spread and the situation is significantly affecting the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in the volatility of asset prices, exchange rates and a decrease in long-term interest rates.

Whilst it is not possible, at this stage, to accurately estimate the financial impacts of this crisis, the Directors note, as at the date of approval of these financial statements that there have been operational disruptions to the business with most practices only able to offer telephone triage and emergency dental treatment, whilst 20 of our practices in Ireland are closed. In order to mitigate the financial impact of COVID-19, the Directors have implemented various cost savings in the Group, such as reducing travel costs, undertaking rental negotiations and obtaining rates relief. As at the date of approval of these financial statements, it is not currently considered that there are any significant doubts over the Company's ability to continue as a going concern for at least a year from the date of approval of these financial statements as there is on-going support from our parent company. *We continue to monitor our business for potential impacts and to manage the associated risks.*

Notwithstanding net current liabilities of £116,005,000 as at 31 December 2019, a loss for the year then ended of £28,548,000, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of COVID-19, the Group will have sufficient funds, through funding from its immediate parent company, Bupa Finance plc, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Bupa Finance plc not seeking repayment of the amounts currently due to the group, which at 31 December 2019 amounted to £91,840,000, and providing additional financial support during that period. Bupa Finance plc has indicated its intention to continue to make available such funds as are needed by the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Going concern (continued)

Consequently, the Directors are confident that the group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Turnover represents the value of dentistry goods or services supplied. NHS income is recognised based on the levels of dental activity delivered. Where there is under-delivery against target activity levels, a potential clawback arises and a creditor is established. Private treatment is recognised based on the stage of completion, with cash settled at the time of treatment.

2.6 Intangible assets

Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Statement of Comprehensive Income over its estimated economic life, considered to be 15 to 20 years.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed 5 years.

Patient lists are estimated to have a useful economic life of between 15 and 20 years. Brand names are estimated to have a useful economic life of 5 years.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Freehold property	- over 50 years straight line
Leasehold improvements	- over 15 years straight line
Motor vehicles	- over 4 years straight line
Fixtures and fittings	- 3 to 15 years straight line

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 Consolidated Statement of Comprehensive Income.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.8 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Company recognises goodwill at the acquisition date as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration (see below); plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

When the excess is negative, this is recognised and separately disclosed on the face of the balance sheet as negative goodwill.

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

All business combinations where the cash outflow on acquisition is greater than £10m will be disclosed separately. All other business combinations will be aggregated.

2.9 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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 profit or loss.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 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.

2.13 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.

2.14 Financial instruments

The Group 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.15 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the entity's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss recognised for goodwill is not reversed. Impairment losses recognised for other assets is reversed only if the reasons for the impairment have ceased to apply.

2.16 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.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.17 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.18 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

On consolidation, the results of overseas operations are translated into GBP at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.19 Finance costs

Finance costs are charged to the Consolidated 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.

2.20 Dividends

Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.21 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

2.22 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.23 Interest income

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

2.24 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet 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 Balance Sheet.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.25 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

2.26 Exceptional items

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

2.27 Contingent consideration

The Group uses contingent consideration as part of the consideration for acquisitions of dental practices to manage the risk that practices acquired will fail to attain acceptable levels of turnover. The amount of contingent consideration is interest free, recognised in creditors and discounted where material. The unwinding of any discount is taken to the Statement of Comprehensive Income and included within interest payable and similar charges.

2.28 Preference shares

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are taken to the income statement as finance expense.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Fair values on acquisitions

The fair value of tangible and intangible assets acquired on acquisitions involve the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. In addition the estimation of the contingent consideration payable requires an assessment of the likelihood of payment based on historic pay-out rates. The estimation of the fair values requires the combination of assumptions including revenue growth, sales mix and customer attrition rates. In addition, the use of discount rates requires judgement.

(ii) Impairment of intangible assets and goodwill

The Group considers whether intangible assets and/or goodwill are impaired. Where an indication of impairment is identified, the estimation of recoverable value of the cash generating units (CGUs) is tested. This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

(iii) Provisions for dilapidations, onerous lease and contingencies

Provision is made for dilapidations and contingencies. These provisions require management's best estimates of the costs that will be incurred. The timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

(iv) Useful expected lives of intangible assets

Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

NHS patient list - 20 years
Private patient list - 15 years
Brand - 5 years

NHS and Private patient lists' estimated useful lives have been derived from analysing the number of years of discounted future free cash flows in the Business Combinations models. In determining the estimated useful lives, NHS and Private patient attrition rates and future growth rates were considered.

4. Turnover

The whole of the turnover is attributable to the one principal activity of the Group being the operation of dental practices and provision of dental services.

All turnover arose within the United Kingdom and Republic of Ireland.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. Exceptional administrative expenses

	2019	2018
	£000	£000
Restructuring costs	1,075	4,188
Dilapidations provision	9,985	-
Loss on disposal of tangible fixed asset	780	-
Other	809	882
	12,649	5,070

6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2019	2018
	£000	£000
Exchange differences	(3)	(14)
Other operating lease rentals	14,315	13,023

7. Auditor's remuneration

	2019	2018
	£000	£000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	191	186
Fees payable to the Group's auditor and its associates in respect of:		
<i>Fees payable to the Group's auditor and its associates for the audit of subsidiary companies</i>	47	38

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Employees

Staff costs were as follows:

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Wages and salaries	109,619	93,600	-	-
Social security costs	7,911	6,939	-	-
Cost of defined contribution scheme	2,432	1,839	-	-
	119,962	102,378	-	-

The average monthly number of employees, including the Directors, during the year was as follows:

	2019 No.	2018 No.
Dentists	14	16
Practice staff	5,138	4,785
Administration staff	329	270
	5,481	5,071

9. Directors' remuneration

	2019 £000	2018 £000
Directors' emoluments	766	1,043
Company contributions to defined contribution pension schemes	41	30
	807	1,073

During the year retirement benefits were accruing to 2 Directors (2018 - 4) in respect of defined contribution pension schemes.

All Directors' remuneration was settled by a subsidiary on behalf of the Group.

10. Interest receivable and similar income

	2019 £000	2018 £000
Other interest receivable	-	3

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Interest payable and similar expenses

	2019 £000	2018 £000
Bank interest payable	268	2
Intra-group loan interest payable	705	4,809
	973	4,811

12. Taxation

	2019 £000	2018 £000
Corporation tax		
Current tax on loss for the year	1,489	1,604
Adjustments in respect of previous periods	(755)	(720)
Total current tax	734	884
Deferred tax		
Origination and reversal of timing differences	(2,436)	1,627
Changes to tax rates	7	-
Adjustment in respect of prior periods	(432)	(3,291)
Total deferred tax	(2,861)	(1,664)
Taxation on loss on ordinary activities	(2,127)	(780)

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019	2018
	£000	£000
Loss on ordinary activities before tax	(30,676)	(3,579)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(5,828)	(680)
Effects of:		
Expenses not deductible for tax purposes	4,560	4,331
Adjustments in respect of current income tax of previous years	(755)	(720)
Different taxation rates in foreign jurisdictions	21	(34)
Tax rate change	346	(206)
Movement on Deferred Tax Asset not recognised	(39)	(180)
Adjustments in respect of deferred tax of previous years	(432)	(3,291)
Total tax credit for the year	(2,127)	(780)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016 and the UK deferred tax liability as at 31 December 2019 has been calculated based on this rate. In the Budget on the 11 March 2020, the Chancellor announced that the UK tax rate will remain at the current rate of 19% and not reduce to 17% from 1 April 2020. This will have an effect on the Company's future tax charge. If this rate change had been substantively enacted at the current balance sheet date the deferred tax liability would have increased by £3,712,000.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. Intangible assets

Group

	Patient list £000	Brands £000	Goodwill £000	Total £000
Cost				
At 1 January 2019	220,068	905	300,164	521,137
Disposals	-	-	(227)	(227)
On acquisition of subsidiaries	64,874	-	60,552	125,426
Reduction in contingent consideration	-	-	142	142
Foreign exchange movement	(233)	-	(232)	(465)
At 31 December 2019	284,709	905	360,399	646,013
Amortisation				
At 1 January 2019	32,540	734	60,803	94,077
Charge for the year	14,787	171	14,135	29,093
On disposals	-	-	(96)	(96)
Impairment charge	-	-	1,377	1,377
Foreign exchange movement	(33)	-	(140)	(173)
At 31 December 2019	47,294	905	76,079	124,278
Net book value				
At 31 December 2019	237,415	-	284,320	521,735
At 31 December 2018	187,528	171	239,361	427,060

Amortisation is charged to administrative expenses in the Statement of Comprehensive Income.

Following a review of the carrying value of intangible assets on a cash generating basis, an impairment charge of £1,377,000 was recognised in the profit and loss account.

In the year, £660,000 of goodwill was recognised in respect of further costs and fair value adjustments of subsidiaries acquired in the prior year, which comprises:

	£000
Cash payments	274
Adjustments to non cash items	691
Cash receipts	(305)
	660

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. Tangible assets

Group

	Freehold property £000	Motor vehicles £000	Fixtures and fittings £000	Leasehold improvements £000	Total £000
Cost or valuation					
At 1 January 2019	12,068	187	70,675	43,734	126,664
Additions	497	-	22,158	6,676	29,331
Acquisition of subsidiary	1,035	-	2,904	1,988	5,927
Disposals	-	(54)	(1,590)	(854)	(2,498)
Transfers between classes	2,704	-	(47)	(2,657)	-
Exchange adjustments	(83)	-	(431)	(142)	(656)
At 31 December 2019	16,221	133	93,669	48,745	158,768
Depreciation					
At 1 January 2019	516	98	28,640	14,177	43,431
Charge for the year on owned assets	403	35	10,453	3,728	14,619
Disposals	-	(37)	(1,398)	(283)	(1,718)
Transfers between classes	814	-	(28)	(786)	-
Exchange adjustments	(2)	-	(277)	(60)	(339)
At 31 December 2019	1,731	96	37,390	16,776	55,993
Net book value					
At 31 December 2019	14,490	37	56,279	31,969	102,775
At 31 December 2018	11,552	89	42,035	29,557	83,233

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £000	2018 £000
Furniture, fittings and equipment	-	23

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

15. Fixed asset investments

Company

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2019	46,255
Additions	221,653
At 31 December 2019	267,908
Impairment	
Charge for the period	163,568
At 31 December 2019	163,568
Net book value	
At 31 December 2019	104,340
At 31 December 2018	46,255

Details of the subsidiaries can be found in note 31.

On 12 December 2019, the Company acquired 100% of the issued share capital of Oasis Healthcare Limited for a consideration of £94,340,000. On 12 December 2019, Oasis Healthcare Limited issued a further 1,000,000,000 ordinary shares of £0.01 each for a consideration of £10,000,000.

On 12 December 2019, the Company acquired a further 117,313,160 ordinary shares of £1 each in Oasis Healthcare Midco 1 Limited for a consideration of £117,313,000 and impaired its investment in Oasis Healthcare Midco 1 Limited by £163,568,000 to bring the carrying value in line with the underlying net assets.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Stocks

	Group 2019 £000	Group 2018 £000
Raw materials and consumables	7,336	5,362
Finished goods and goods for resale	855	719
	8,191	6,081

The difference between purchase price or production cost of stocks and their replacement cost is not material.

17. Debtors

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Due within one year				
Trade debtors	20,589	22,527	-	-
Amounts owed by group undertakings	-	-	350,526	490,312
Other debtors including corporation tax	6,272	5,636	1,402	822
Prepayments and accrued income	11,359	8,572	-	-
	38,220	36,735	351,928	491,134

Included in amounts owed by group undertakings is £nil (2018 - £8,712,000) relating to unsecured subordinated redeemable loan notes which bear interest at 13.5% and were repaid in full at par on 12 December 2019.

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

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

18. Creditors: Amounts falling due within one year

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Bank overdrafts	992	-	-	-
Contingent consideration	16,885	11,192	-	-
Trade creditors	24,376	18,014	-	-
Amounts owed to group undertakings	91,840	27,005	45,928	31,055
Corporation tax	3,078	2,559	-	-
Other taxation and social security	2,176	1,641	-	-
Obligations under finance lease and hire purchase contracts	-	45	-	-
Other creditors	367	972	-	90
Accruals and deferred income	31,798	25,865	-	-
	171,512	87,293	45,928	31,145

Amounts owed to group undertakings includes the Bupa Finance plc loan of £45,889,000 (2018 - £19,781,000) and interest accrued thereon of £39,000 (2018 - £2,190,000). Other amounts owed to group undertakings are unsecured, interest free and repayable on demand.

19. Creditors: Amounts falling due after more than one year

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Contingent consideration	4,588	7,199	-	-
Share premium treated as debt	-	68,490	-	68,490
Share capital treated as debt	-	7	-	7
	4,588	75,696	-	68,497

Disclosure of the terms and conditions attached to the non-equity shares is made in note 24.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2019 £000	Group 2018 £000
Within one year	-	39
Between 2-5 years	-	6
	<u>-</u>	<u>45</u>

21. Financial instruments

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Financial assets				
Financial assets measured at fair value through profit or loss	9,096	7,971	-	-
Financial assets that are debt instruments measured at amortised cost	27,937	29,653	350,526	490,312
	<u>37,033</u>	<u>37,624</u>	<u>350,526</u>	<u>490,312</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(148,382)	(139,100)	-	(99,642)

Financial assets measured at fair value through profit or loss comprises cash at bank.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors, accrued income and amounts due from group undertakings (Company only).

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals, amounts owed to group undertakings and share capital treated as debt.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

22. Deferred taxation

Group

	2019 £000	2018 £000
At beginning of year	23,148	20,075
Credited to Consolidated Statement of Comprehensive Income	(2,861)	(1,664)
Arising on business combinations	10,926	4,737
At end of year	31,213	23,148

The provision for deferred taxation is made up as follows:

	Group 2019 £000	Group 2018 £000
Accelerated capital allowances	(2,846)	(3,806)
Tax losses carried forward	(2,290)	(2,924)
Acquired intangible assets	38,106	29,996
Other timing differences	(1,757)	(118)
	31,213	23,148

The Group has unprovided deferred tax balances of £426,000 (2018 - £521,000) in respect of tax losses. These amounts are unprovided as their recovery is not currently assessed as probable.

23. Provisions

Group

	Property provisions £000
At 1 January 2019	683
Charged to profit or loss	9,912
Utilised in year	(218)
At 31 December 2019	10,377

The property provisions are in respect of onerous leases and dilapidations and are the Directors' best estimate of the liability. The provision has been discounted.

During the year, there was a review of the dilapidations provision across the Group. This culminated in an additional £9,985,000 expense to the profit and loss.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

24. Share capital

	2019	2018
	£000	£000
Shares classified as equity		
Allotted, called up and fully paid		
0 (2018 - 48,000,770,000) 'A' ordinary shares of £0.0100 each	-	480,008
0 (2018 - 230,000) 'B' ordinary shares of £0.0100 each	-	2
0 (2018 - 250,080) 'C' ordinary shares of £0.0125 each	-	3
1 (2018 - 0) ordinary share of £1.0000	-	-
	<u>-</u>	<u>480,013</u>
	<u>-</u>	<u>480,013</u>
		£000
Shares classified as debt		
Allotted, called up and fully paid		
0 (2018 - 68,497,037) preference shares of £0.0001 each	-	7
	<u>-</u>	<u>7</u>

On 17 May 2019, the Company redeemed all the preference shares held by Bupa Finance plc (the Company's immediate parent company), at £0.0001 per share, for a total consideration of £6,849.70. Bupa Finance plc had entered into a deed of waiver of dividend, waiving all of their right and entitlements to all outstanding dividends and accruals in respect of the preference shares.

On 17 May 2019, the 48,000,770,000 A ordinary shares of £0.01 each were consolidated into 480,007,700 A ordinary shares of £1 each, the 230,000 B ordinary shares of £0.01 each were consolidated into 2,300 B ordinary shares of £1 each, the 250,040 C ordinary shares of £0.0125 each were consolidated into 3,125.5 C ordinary shares of £1.00 each and the Company purchased 0.5 C ordinary shares of £1 each from Bupa Finance plc for a total consideration of £0.50.

On 12 December 2019, the Company issued 117,313,160 ordinary shares of £1 for a consideration of £117,313,160 and then reduced its share capital from £597,326,285 to £1 and its £990,000 share premium to £nil. This £598,316,000 has been accounted for in the capital redemption reserve.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

25. Reserves

Share premium account

The share premium account represents the consideration received on the issue of shares in the Company in excess of the nominal value of those shares, net of share issue costs, bonus issues of shares and any subsequent capital reductions.

Capital redemption reserve

On 12 December 2019, the Company reduced its share capital from £597,326,285 to £1 and its £990,000 share premium to £nil. This £598,316,000 has been accounted for in the capital redemption reserve.

Foreign exchange reserve

The foreign exchange reserve represents the cumulative foreign exchange translation differences arising as a result of the retranslation of foreign subsidiaries on consolidation.

Profit and loss account

The profit and loss account represents the accumulated profits, losses, forgiven preference share dividends and distributions of the Group or Company.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

26. Business combinations

During the year, the Group acquired a number of dental practices and 2 laboratories. Other than the acquisition of Bupa Dental Services Limited and its subsidiaries, no other acquisitions were for consideration in excess of £10m. The fair value of assets and liabilities were as follows:

Acquisition of Bupa Dental Services Limited and its subsidiaries, which includes 1 laboratory:

	Book value £000	Fair value adjustment £000	Fair value £000
Tangible	2,933	-	2,933
Intangible	-	19,290	19,290
	<u>2,933</u>	<u>19,290</u>	<u>22,223</u>
Stocks	809	-	809
Debtors	2,838	-	2,838
Cash at bank and in hand	6,472	-	6,472
Total assets	<u>13,052</u>	<u>19,290</u>	<u>32,342</u>
Creditors			
Due within one year	(21,268)	-	(21,268)
Deferred tax on differences between fair value and tax bases	242	(3,279)	(3,037)
Total identifiable net assets/(liabilities)	<u>(7,974)</u>	<u>16,011</u>	<u>8,037</u>
Goodwill			20,269
Total purchase consideration			<u>28,306</u>

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

**26. Business combinations (continued)
Consideration**

Cash	28,306
Total purchase consideration	28,306

Cash outflow on acquisition

Purchase consideration settled in cash, as above	28,306
Less: Cash and cash equivalents acquired	(6,472)
Net cash outflow on acquisition	21,834

The results since acquisition are as follows:

	Current period since acquisition
Turnover	12,462
Profit for the period	1,300

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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26. Business combinations (continued)

Acquisition of a number of dental practices and 1 laboratory

	Book value £000	Fair value adjustment £000	Fair value £000
Tangible	2,184	810	2,994
Intangible	-	45,584	45,584
	<u>2,184</u>	<u>46,394</u>	<u>48,578</u>
Stocks	291	72	363
Debtors	1,549	532	2,081
Cash at bank and in hand	2,754	-	2,754
	<u>6,778</u>	<u>46,998</u>	<u>53,776</u>
Total assets			
Creditors			
Due within one year	(5,215)	(38)	(5,253)
Deferred tax on differences between fair value and tax bases	(166)	(7,731)	(7,897)
	<u>1,397</u>	<u>39,229</u>	<u>40,626</u>
Total identifiable net assets			

The results since acquisition are as follows:

Goodwill	<u>39,623</u>
Total purchase consideration	<u><u>80,249</u></u>
Consideration	
Cash	64,318
Contingent consideration	8,944
Acquisition costs	6,986
Total purchase consideration	<u><u>80,248</u></u>
Cash outflow on acquisition	
Purchase consideration settled in cash, as above	80,248
Cash outflow on acquisition	(2,754)
Net cash outflow on acquisition	<u><u>77,494</u></u>

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

26. Business combinations (continued)

The results since its acquisition are as follows:

	Current period since acquisition £000
Turnover	<u>12,462</u>
Profit for the period	<u>1,300</u>

27. Contingent liabilities

Under a group registration, the Company is jointly and severally liable for Value Added Tax due by certain other Bupa Group undertakings.

28. Capital commitments

At 31 December, the Group had capital commitments as follows:

	Group 2019 £000	Group 2018 £000
Contracted for but not provided in these financial statements	<u>9,624</u>	<u>3,994</u>

29. Pension commitments

The Group has established a stakeholders' pension scheme for all employees who are eligible to join. In the year to 31 December 2019, the Group charge was £2,432,000 (2018 - £1,839,000).

The Group operates a defined benefit scheme for 4 (2018 - 4) employees. Employer contributions are significantly higher than the contracted entitlement to allow for future commitments and valuation fluctuations. The scheme is immaterial for Group purposes and is accounted for on a cash basis.

THE OASIS HEALTHCARE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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30. Commitments under operating leases

At 31 December 2019 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £000	Group 2018 £000
Not later than 1 year	13,474	11,947
Later than 1 year and not later than 5 years	44,861	41,046
Later than 5 years	37,987	38,568
	<u>96,322</u>	<u>91,561</u>

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

31. Subsidiary undertakings

The following were subsidiary undertakings of the Company as at 31 December 2019. Oasis Healthcare Midco 1 Limited and Oasis Healthcare Limited are directly owned, all the other subsidiary undertakings are indirectly owned. The Group has provided the necessary guarantees under section 479a of the Companies Act 2006 to enable all non dormant subsidiaries apart from those marked with an asterisk (*) to claim exemption from audit:

Name	Class of shares	Holding
Oasis Healthcare Midco 1 Limited	Ordinary	100%
Oasis Healthcare Midco 2 Limited	Ordinary	100%
Oasis Healthcare Bidco Limited	Ordinary	100%
Oasis Healthcare International Limited	A Ordinary	100%
	B Ordinary	100%
Duke Street Capital Oasis Midco Limited	Ordinary	100%
Duke Street Capital Oasis Acquisitions Limited	Ordinary	100%
Oasis Healthcare Limited	Ordinary	100%
Oasis Dental Care Limited	Ordinary	100%
Oasis Dental Care (Central) Holdings Limited	Ordinary	100%
Oasis Dental Care (Central) Limited	Ordinary	100%
Oasis Dental Care (Southern) Holdings Limited	Ordinary A	100%
	Ordinary B	100%
	B Ordinary	100%
	Ordinary C	100%
	Ordinary D	100%
	Ordinary E	100%
Oasis Dental Care (Southern) Limited	Ordinary	100%
Duke Street Capital Oasis Orthodontics Holdings Limited	Ordinary	100%
Duke Street Capital Oasis Orthodontics Limited	Ordinary	100%
Dentalign Orthodontics Limited	Ordinary	100%
Dentalign Orthodontics LLP	Partnership interest	100%
Dentalign Colwyn Bay Limited	Ordinary	100%
Dentalign Eastbourne Limited	Ordinary	100%
Dentalign Wrexham Limited	Ordinary	100%
Ortho 2008 Limited	Ordinary	100%
Orthoscene Limited	Ordinary	100%
Nigel Reynolds Limited	Ordinary	100%
Roberts-Harry Clinic Limited	Ordinary	100%
Harbour Way Surgery Limited	A Ordinary	100%
Windmill Dental Surgery Limited	Ordinary	100%
Steeple Grange Smiles Limited	Ordinary	100%
Kidson Orthodontics Limited	Ordinary	100%
Deysbrook Dental Surgery Limited	Ordinary	100%
BASDAC (2011) LLP	Partnership interest	100%
Apex Dental Care Limited	Ordinary	100%
Caring Dentistry Limited	Ordinary	100%
Smile Lincs Limited	Ordinary	100%
Apex Holding Limited	Ordinary	100%
JDH Holdings Limited	Ordinary	100%
Xeon Smiles UK Limited	Ordinary	100%
Highland Dental Care Limited	Ordinary	100%
Den Dental Group Practice LLP	Partnership interest	100%
Goodteeth Dental Surgeries Limited	Ordinary	100%
The Adams and Lee Dental Practice Limited	Ordinary	100%
Hillington Park Dental Practice Limited	Ordinary	100%
Total Orthodontics Limited	Ordinary	100%
Winning Smiles (Gillingham) Limited	Ordinary	100%

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

J A Jordan and Associates Limited	Ordinary	100%
Grosvenor Orthodontic Clinic (Beckenham) Limited	Ordinary	100%
Mojo-D Limited	Ordinary	100%
Quantum Ortho Limited	Ordinary	100%
Devon Smiles Limited	Ordinary	100%
Smile Dental Care Limited	Ordinary	100%
Priors Croft Dental Practice Limited	Ordinary	100%
James Taylor and Partners Limited	Ordinary	100%
Milehouse Dental Care Limited	Ordinary	100%
Eckington Dental Practice Limited	Ordinary	100%
Richley Dental Ceramics Limited	Ordinary	100%
Aesthetic Dental Laboratory Limited	Ordinary	100%
Quest Dental Care LLP	Partnership interest	100%
Cheshire Cat Orthodontics Limited	Ordinary	100%
Lawrence Street Dental Practice Limited	Ordinary	100%
Oral Implantology Limited	Ordinary	100%
A4 Health Group Limited	Ordinary	100%
MFM Community Limited	Ordinary	100%
Dencraft (South Yorkshire) Limited	Ordinary	100%
BE White Limited	Ordinary	100%
Synergy Ceramics Limited	Ordinary	100%
Colchester Dental Referral Centre Limited	Ordinary	100%
Windslade Limited	Ordinary	100%
Highwoods and St Johns Limited	Ordinary	100%
Derwent House Orthodontics Limited	A Ordinary	100%
J.J. Thompson (Orthodontic Appliances) Limited	Ordinary	100%
Eurodontic Limited	Ordinary	100%
Oswestry Dental Laboratory Limited	Ordinary	100%
Creative Designs Dental Laboratory Limited	Ordinary	100%
North Devon Orthodontic Centre Limited	Ordinary	100%
Partick Dental Limited	Ordinary	100%
Christopher F. Stafford Holdings Limited	Ordinary	100%
Croft Dental Care Limited	Ordinary	100%
Peter Baldwin (VHO) Limited	Ordinary	100%
Mark Fazakerly (VHO) Limited	Ordinary	100%
The Exeter Dental Centre Limited	Ordinary	100%
G & M Moynes Limited	Ordinary	100%
Stop The Clock Dental Care Limited	Ordinary	100%
The Tutbury Dental Practice Limited	Ordinary	100%
Wylde Green Orthodontics LLP	Partnership interest	100%
Linden Dental Centre Limited	Ordinary	100%
TDK Dental Limited	Ordinary A	100%
Pembury TM Limited	Ordinary	100%
Metrodental Limited	Ordinary	100%
Avsan Holdings Limited	Ordinary	100%
Avsan Gloucester Limited	Ordinary	100%
Fairfield Dental Surgery Limited	Ordinary	100%
Avsan Fleet Limited	Ordinary	100%
Avsan Ferryburn Limited	Ordinary	100%
Avsan Knebworth Limited	Ordinary	100%
Avsan Dental Edinburgh Limited	Ordinary	100%
Avsan Fife Limited	Ordinary	100%
Avsan Visage Limited	Ordinary	100%
Avsan Cove Limited	Ordinary	100%
Avsan Queenscross Limited	Ordinary	100%
Avsan Queensroad Limited	Ordinary	100%
Avsan Kseat Limited	Ordinary	100%
Rise Park Dental Practice Limited	Ordinary A	100%
	Ordinary B	100%

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Avsan Halstead Limited	Ordinary	100%
J & M Dental Care Limited	Ordinary	100%
Tidge and Lou Limited	Ordinary	100%
Wylve Valley Dentistry Limited	Ordinary	100%
Stob Dearg Limited	Ordinary	100%
Dental Excellence - Harewood Practice LLP	Partnership interest	100%
Tooth Fixer Limited	Ordinary	100%
Wessington Way Limited	Ordinary	100%
North Lakeland Limited	Ordinary	100%
The Dental Solutions Centre Limited	Ordinary	100%
Dental Confidence Limited	Ordinary	100%
Wimborne Total Dental Care Limited	Ordinary	100%
Morrison Shenfine Holdings Limited	Ordinary	100%
Victoria Oral Clinic Limited	Ordinary	100%
Martin and Martin Dental Care Limited	Ordinary	100%
Private Dental Services Limited	Ordinary	100%
The Spire Halifax Limited	Ordinary	100%
Hospital Lane Dental Clinic Limited	Ordinary	100%
B Dental Limited	Ordinary	100%
King Lane Dental Care Limited	Ordinary	100%
Luke Barnett Clinic Limited	Ordinary	100%
Luke Barnett Limited	Ordinary	100%
Aqua Dental Spa Limited	Ordinary	100%
Bupa Dental Services Limited	Ordinary	100%
Perlan Limited	Ordinary	100%
Cranbrook Dental Practice Limited	Ordinary	100%
The Smile Centres Limited	Ordinary	100%
Lab 53 Limited	Ordinary	100%
Ultimate Smile Spa Limited	Ordinary	100%
Store Dental Care Limited	Ordinary	100%
In Store Dental Limited	Ordinary	100%
Paul Coulthard Limited	Ordinary	100%
Stephen E B Jones Limited	Ordinary	100%
David Row Limited	Ordinary	100%
Andrew Greenwood Limited	Ordinary	100%
NM Jones Limited	Ordinary	100%
MCM (Dental Services) Limited	Ordinary	100%
Mainstream Dental Care Limited	A Ordinary	100%
	C Ordinary	100%
MDANZ Limited	Ordinary	100%
MZINC Limited	Ordinary	100%
Future Drilling Limited	Ordinary	100%
MDANZ Holdings Limited	Ordinary	100%
Siobhan Owen Limited	Ordinary	100%
Highworth Dental Care Limited	Ordinary	100%
Clock Tower Dental Care Limited	Ordinary	100%
KN Wellness Limited	Ordinary	100%
The Facial Aesthetics & Dental Centre Limited	Ordinary	100%
Arnica Dental Care Limited	Ordinary	100%
Dencraft (Leicester) Limited	Ordinary	100%
Diamond House Dental Practice Limited	Ordinary	100%
Ratcliffe Dental Limited	Ordinary	100%
Shaw & Associates Dental Surgeons Limited	Ordinary	100%
Iosis Clinic Limited	Ordinary	100%
Raglan Suite Limited	Ordinary	100%
Hope Dental Practice Limited	Ordinary	100%
	B Ordinary	100%
Silverwell Surgery Limited	Ordinary	100%

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Whole Tooth Limited	Ordinary	100%
Haven Green Clinic Limited	Ordinary	100%
Freshdental Practice Limited	Ordinary	100%
Archway Dental Practice Limited	Ordinary	100%
The Bramhope Dental Clinic Limited	Ordinary	100%
Cranmore Excellence in Dentistry Limited	Ordinary	100%
DE (Belmont Road) Limited	Ordinary	100%
Oasis Healthcare Holdings Ireland Limited *	Ordinary	100%
Xeon Dental Services Limited *	Ordinary	100%
Smiles Dental Practices North Limited	Ordinary	100%
Blueapple Dental and Implant Team Limited	Ordinary	100%
Hugh Bradley Limited *	Ordinary	100%
Fortwilliam and Ballymena Specialist Dental Clinics Limited	Ordinary	100%
Belfast Orthodontic Clinic Limited	Ordinary	100%
Woodquay Dental Limited *	Ordinary	100%
GK Medical and Dental Services Limited*	Ordinary	100%

On 2 July 2019, Ceracryl Laboratories Limited, FACE (Facial Aesthetic Centres of Excellence) Limited, Oral Hygiene Innovations Limited, Dr J.D. Hull & Associates (Physiotherapy & Osteopathy) Limited, Victoria Reese Dental Practice Limited, Clive Zane Limited, Nadir Khan Surgical Limited and T C Patel Limited were dissolved.

Mind Your Business (Ni) Ltd, 1 Elmfield Avenue, Warrenpoint, Newry, County Down, Northern Ireland, BT34 3HQ is the registered office for Smiles Dental Practices North Limited, Blueapple Dental and Implant Team Limited, Cranmore Excellence in Dentistry Limited, DE (Belmont Road) Limited, Belfast Orthodontic Clinic Limited and Fortwilliam and Ballymena Specialist Dental Clinics Limited.

1st Floor, 9 Exchange Place, I.F.S.C., Dublin 1, Ireland, DO1 X8H2 is the registered office for Xeon Dental Services Limited, Oasis Healthcare Holdings Ireland Limited, Hugh Bradley Limited, Woodquay Dental Limited and GK Medical and Dental Services Limited.

Pinsent Masons LLP, 13 Queens Road, Aberdeen, Aberdeenshire, AB15 4YL is the registered office for Hillington Park Dental Practice Limited, MFM Community Limited, Partick Dental Limited, Christopher F. Stafford Holdings Limited and Martin and Martin Dental Care Limited.

The registered office for the remaining subsidiary undertakings is Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

32. Ultimate parent company and controlling party

The Company's immediate parent company is Bupa Finance plc, a company incorporated in England and Wales. The Company's ultimate parent undertaking is The British United Provident Association Limited, a company incorporated in England and Wales.

The smallest group for which group financial statements will be prepared is The Oasis Healthcare Group Limited. The largest group for which group financial statements will be prepared is The British United Provident Association Limited. The financial statements of The British United Provident Association Limited may be obtained from its registered office at 1 Angel Court, London, EC2R 7HJ.

The financial statements of The Oasis Healthcare Group Limited may be obtained from its registered office at Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

THE OASIS HEALTHCARE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

33. Post balance sheet events

On March 11, 2020, the World Health Organization declared Coronavirus COVID-19 a pandemic, due to its rapid spread throughout the world. Most governments are taking restrictive measures to contain the spread and the situation is significantly affecting the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in the volatility of asset prices, exchange rates and a decrease in long-term interest rates.

As the implications of COVID-19 are indicative of conditions that arose after the end of the reporting period end, it is a subsequent event that does not require any adjustments to the annual accounts for the financial year 2019. Whilst it is not possible, at this stage, to accurately estimate the financial impacts of this crisis, the Directors note, as at the date of approval of these financial statements that there have been operational disruptions to the business with most practices only able to offer telephone triage and emergency dental treatment, whilst 20 of our practices in Ireland are closed. In order to mitigate the financial impact of COVID-19, the Directors have implemented various cost savings in the Group, such as reducing travel costs, undertaking rental negotiations and obtaining rates relief. As at the date of approval of these financial statements, it is not currently considered that there are any significant doubts over the Company's ability to continue as a going concern for at least a year from the date of approval of these financial statements as there is on-going support from our parent company. We continue to monitor our business for potential impacts and to manage the associated risks.