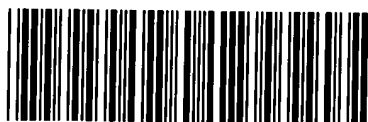


FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

COMPANY INFORMATION

Directors	T Wheeldon L Bell A Mazzei
Registered number	03353201
Registered office	Nunn Brook Road Huthwaite Sutton in Ashfield Nottinghamshire NG17 2HU
Independent auditor	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

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FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives

The long-term objective of Fresenius Medical Care Renal Services (UK) Limited (the 'company') is to deliver profitable sales performance to the Fresenius Medical Care (Holdings) Limited group (the 'group') in order to support continued investment in the group, reduce borrowings and support future dividends to shareholders.

In pursuing this objective, the company intends to maintain sound financial management and avoid excessive risks.

Key business strategies

In pursuit of its objectives the company has a number of key business strategies which have been successfully implemented over recent years.

We aim to secure increased sales through:

- keeping patient health and welfare at the forefront of all our activities;
- improving patient outcomes and achieving in partnership with our customers;
- providing the best quality dialysis services to our customer base;
- ensuring outcomes for patients in line with the Renal Association Standards;
- the development of new customers in the UK market; and
- introducing new and innovative service models in patient care.

We plan to improve our gross margin levels through the introduction of technology and control measures to drive efficiencies.

We aim to have sufficient local finance for our activities, notwithstanding our ongoing access to additional group funds to enable opportunities to be secured as they arise.

Strategy is continually reviewed by the board in the light of the wider group strategies and performance, and also the changing market conditions, to ensure it remains appropriate to achieve the company's objectives.

Principal risks and uncertainties

The key risk areas of the company are:

- customer tender pricing affecting sales and gross margin;
- the loss of key customer accounts; and
- labour cost risks.

The company seeks to manage as far as possible the key risks that it faces.

Customer tenders for contracts affect the business every year and our tender pricing is under constant review, given the specification of services and competition. Excellent customer service quality as well as strong customer relations will continue to mitigate pricing pressures generated by the ongoing funding restrictions faced by the NHS.

The company's customer base is strong and has increased in recent years, reducing the financial risks faced by the loss of a customer account. Further efforts to diversify our activities will also help address this concern.

Debt finance is available internally within the group if required. We anticipate our local trading position will be sufficient to support our working capital requirements throughout 2021 and into 2022.

Nursing staff availability is a key requirement of the company. New processes of electronic rostering and efficient recruitment processes have mitigated adverse cost risks and these processes continue to be reviewed.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Covid-19

The health and wellbeing of its people is the company's number one priority and a range of measures to protect its staff have been implemented throughout the Covid-19 pandemic. At the same time, the company recognises its vital role in continuing to supply essential healthcare services and products. Due to the dedication, commitment and hard work of its people, the company's supply chains are functioning adequately, and all the clinics have remained open. Although the company has experienced increased demand in acute machines, the company continues to monitor the situation and is taking appropriate measures to adapt to the changing market and to ensure that it has adequate stock levels should the demand further increase.

Key performance indicators

The company uses a number of financial measures to monitor progress against strategies and corporate objectives. These are summarised below:

	2021 £000	2020 £000
Turnover	17,627	20,868
Earnings Before Interest, Taxation, Depreciation and Amortisation ('EBITDA')	(1,657)	(3,129)

In addition to financial measures, the Fresenius Medical Care UK Board of Directors (the 'board') also monitors the company's operations with the objective of ensuring that health and safety is at the core of all working practices. In measuring the success of this, the board reviews the level of reported incidents and monitors the training being undertaken by all relevant employees.

Despite losses in 2021 and 2020, results have improved and continue to improve in 2022, due to reduced use of external agency for staffing clinics.

Future prospects

The board is confident that the company's strategy will continue to deliver results that meet our shareholders' expectations in the years to come.

Turnover decreased by 15.5% in the year. EBITDA was negative at £1,657,000 (2020: £3,129,000).

This negative EBITDA principally reflects continuing cost pressures and lower economies of scale.

Based on the company's forecasts, this trading position provides access to sufficient working capital, via continued funding support from its immediate parent company, for the company to trade on an orderly basis for the foreseeable future.

The company continues to place patient care and wellbeing at the head of its schedule of corporate objectives, and this strategy leads to a culture of providing superior customer service which will drive the company towards its anticipated future success.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021****Employees**

The company employs a small number of disabled people and will continue to do so wherever possible, through recruitment, by retention of persons who become disabled during service and by appropriate training, career development and promotion. The company endeavours to keep all employees informed of the progress and development of the business.

The company seeks to ensure that all employees, job applicants and prospective job applicants are afforded equality of job opportunity in all areas of employment.

The company's Health & Safety Policy fully recognises the company's responsibility for the health and safety of employees and members of the community in which they work.

The company places considerable value on the involvement of its employees and has continued its practice of keeping them informed of matters affecting them as employees, and on various matters affecting the performance of the company.

Directors' duties

When a director is inducted, they are briefed on the significant responsibility that comes with the role and are asked to sign the Guidelines for Directors and Other Board Members of Fresenius SE & Co. KGaA group subsidiaries. This document outlines how members of the Board are responsible for supporting the organisation's mission, maintaining strategic direction, ensuring compliance with all applicable legal requirements and standards, and maintaining the organisation's financial wellbeing. Directors are also able to access external professional advice to strengthen their understanding of the role. In large organisations, it is common for the board to delegate duties through a governance framework, which allows some decision-making to be made by other members of the leadership team. These decisions are regularly reviewed through monthly board meetings, where colleagues representing significant areas of the business are invited to present on key topics.

Our business relationships

To achieve long-term growth, we understand the need to develop and maintain strong business relationships with key stakeholder groups including:

- customers;
- suppliers;
- regulatory bodies;
- employees; and
- communities and environmental impact.

Stakeholder feedback is important to deliver strategic growth, and we continually assess such feedback during 360, contract, and account reviews.

Customers

We complete an annual patient survey to identify areas of opportunity across our Home HD, Peritoneal Dialysis, and Home Deliveries business segments. In 2021, we received at least a 4.7/5 overall satisfaction rate across all these areas. The results from this survey are presented to the board and senior leadership teams, and feed into our annual corporate objectives. The board provide leadership and guidance around core strategies which currently include patient choice and shared care. These strategies all directly involve working with patient advocacy groups and enable our customer facing teams to speak directly with these groups, helping us to better meet the needs of our customers.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Suppliers

All of our top suppliers are engaged with at least twice a year. These meetings discuss the product or service supplied in addition to the performance of the account by the group, for example, whether we always provide purchase orders, whether we order on time, and whether supplier invoices are paid when due. Any feedback received is shared with the relevant department including to the board if appropriate.

Regulatory bodies

To uphold the relationships with our regulators we have regular meetings with our allocated point of contact, for example, at the Care Quality Commission (CQC). Meetings are facilitated by our nominated individual, a legally required role. The outcomes from these meetings are fed into the Clinical Governance Committee so that procedures can be implemented to ensure these are fulfilled. The Clinic Governance Framework has been approved by the board and provides transparency in how we operate and ensures that regulatory compliance is discussed and considered at all levels of the organisation. All interaction with other regulatory bodies is through a Regulatory Compliance Manager (RCM). This is a recognised Local Safety Officer for medical devices and one of the board members is the recognised Pharmacovigilance Responsible Person (PVRP) for pharmaceuticals. As a result, all regulatory activity is shared between RCM and the board member. This is reported monthly in the board meeting in a regular update slot on the agenda.

As a board we prioritise compliance and have a dedicated Head of Legal and Head of Compliance who are present at all board meetings. The Global Compliance Programme for the wider Fresenius Group is implemented locally in the UK. As a company, our Global Compliance Programme ensures that we have appropriate policies in place which start with the global code of ethics and includes policies on anti-bribery and corruption, which applies both to our employees and third-party suppliers.

Our employees

Our people are the core of what we do. We actively promote a culture of openness and transparency through the recruitment of excellent and quality employees, whose behaviour is aligned with professional standards and our corporate values. The group has a focused Recruitment and Retention working group that are leading on our strategies for improving vacancy numbers. Outputs from this group have been implemented in 2020 and will continue to do so. These include;

- staff retention rate remained at 89%;
- reduction of agency hours used in NephroCare from 14,197 hours in 2020 to 7,327 hours in 2021;
- newly launched Clinic Manager training/ development programme "fit for role"; and
- reduced time to hire days through improved process from an average of 116 to an average of 72.

We seek to promote the values of collaboration, reliability, excellence and proactivity within our organisation and reward those individuals who demonstrate these qualities, aligned with our business strategy, through a monthly recognition programme.

We regularly consult with our employees around key topics which are important to them and are committed to maintaining clear, bi-directional channels of communication for all through monthly Q&A sessions with the Board and a dedicated email inbox to address queries and concerns our employees may have. We provide various opportunities for our people to deliver feedback, including an annual engagement survey which had an 89% participation rate in 2020/2021, in addition to co-facilitated workshops, which encourages a culture of continuous growth.

Employee development is at the heart of our people strategy; therefore, we invest heavily in a training academy that encompasses both knowledge and skills-based courses. In 2021 this academy had 89 days of training in total.

For our business to grow and succeed, we also conduct regular talent reviews and operate within a strengths-based environment to ensure our employees are provided with the opportunity to do what they do best every single day.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Community

We are committed to strengthening our relationships with the local community. Within the business we have a dedicated Community and Social Committee. Their mission is to provide social events for employees in the local area and to support both local and national charities. Our vision is to improve a sense of community and togetherness both inside and outside of the office, with our colleagues and neighbours. An example of a regular campaign is Choctober in support of the National Kidney Federation, however we also support local homeless and pet charities by organising donations of equipment and food through the office network.

Environment

We identify and regularly review significant environmental aspects and impacts which are (or may be reasonably foreseen to be) incurred from Fresenius Medical Care work activities, products and services. The Environmental Committee report into the Board meeting. Some examples of topics include:

Carbon reduction

The group is working with an environmental management consultancy company to develop a carbon reduction strategy. Our carbon reduction commitment will be documented in a dedicated environmental policy that sets out the steps that will be taken over the next 5 years. We have a short-term (5 year) plan to reduce our carbon footprint and a long-term desire to make as many areas of the business as possible carbon-neutral.

Electricity usage

We are taking a targeted approach to reduce our energy. The project aims to reduce consumption through making operational changes such as changing settings or ensuring systems are operating at optimal capacity. Where operational changes cannot be made or will have minimal impact, the Board will also be considering physical alterations to the infrastructure to reduce energy consumption. Examples of this would be installation of LED lighting upgrade of inefficient air conditioning system, and installation of thermal insulation in roof spaces.

Reduction in waste product

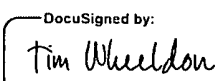
We are aiming to reduce the amount of waste acid concentrate by 50% when compared to 2020 figures. The results of this project will be shared via the Environmental Committee and work will be undertaken to express this saving as a reduction in CO2 output across the whole product lifecycle.

Environmental policy

The company is committed to adopting a responsible approach to environmental matters.

The management of the company seeks to minimise any adverse impact on the environment from all aspects of the company's operations by means of environmentally sound disciplines, which take practical steps to control effectively or eliminate any known pollution risks, without entailing excessive cost.

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

DocuSigned by:

A318D395B47541E...
T Wheeldon
Director

Date: 27 September 2022

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The company's principal activity is to provide nursing dialysis services to clinics in the UK.

Results and dividends

The loss for the year, after taxation, amounted to £1,363,000 (2020: £2,526,000).

The company does not recommend payment of a dividend (2020: £Nil).

Directors

The directors who served during the year are shown on the company information page.

Fresenius Medical Care SE provided qualifying indemnity insurance to the directors of the company during the year.

Strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's Strategic Report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 to be contained in the directors' report.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED


**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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'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's auditor is aware of that information.

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

DocuSigned by:

A318D395B47541E...
T Wheeldon
Director

Date: 27 September 2022

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

Opinion

We have audited the financial statements of Fresenius Medical Care Renal Services (UK) Limited (the 'company') for the year ended 31 December 2021, which comprise the profit and loss account, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focused on key laws and regulations the entity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and walkthroughs;
- an understanding of the entity's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment; and
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

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

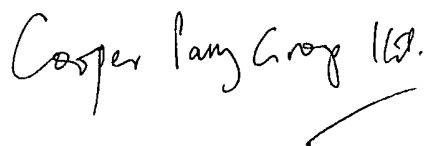
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED (CONTINUED)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Neil Calder', with a horizontal line underneath.

Neil Calder (Senior Statutory Auditor)

for and on behalf of
Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 27 September 2022

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Turnover	1.4,3	17,627	20,868
Cost of sales		(19,284)	(23,997)
Gross loss		(1,657)	(3,129)
Tax on loss	7	294	603
Loss after tax		(1,363)	(2,526)
Retained earnings at the beginning of the year		(22,260)	(19,734)
Loss for the year		(1,363)	(2,526)
Retained earnings at the end of the year		(23,623)	(22,260)

There were no recognised gains and losses for 2021 or 2020 other than those included in the profit and loss account.

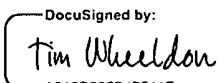
The notes on pages 14 to 21 form part of these financial statements.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED
REGISTERED NUMBER: 03353201

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Investments	8	-	-
Current assets			
Debtors	9	9,443	10,412
Creditors: amounts falling due within one year	10	(20,909)	(20,515)
Net current liabilities		(11,466)	(10,103)
Net liabilities		(11,466)	(10,103)
Capital and reserves			
Called up share capital	13	12,157	12,157
Profit and loss account	14	(23,623)	(22,260)
Shareholders' deficit		(11,466)	(10,103)

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

DocuSigned by:

A318D395B47541E...
T Wheeldon
Director

Date: 27 September 2022

The notes on pages 14 to 21 form part of these financial statements.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

Fresenius Medical Care Renal Services (UK) Limited (the 'company') is a limited liability company incorporated and domiciled in England and Wales. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the company and are presented in round thousands (£000). The financial statements are for the year ended 31 December 2021 (2020: year ended 31 December 2020).

The company is exempt by virtue of Section 400 of the Companies Act from the requirement to prepare group financial statements. These financial statements therefore present information about the company as an individual and not about its group.

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of the financial statements in conformity with FRS 102 require the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement, complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following accounting policies have been consistently applied:

1.2 Going concern

At the balance sheet date, the company had net current liabilities of £11,466,000, which are largely funded by a fellow subsidiary, which has confirmed that it will not call for repayment of the balance unless cashflow permits. At the time of signing these accounts, the directors have considered the going concern position, and are satisfied that the company will continue to trade for a period of at least 12 months from the date of signing these accounts with the financial support of its parent company.

On that basis, the directors have prepared these financial statements on a going concern basis.

1.3 Disclosure exemptions

The company has taken advantage of the following disclosure exemptions available under FRS 102 as equivalent disclosures are included in the consolidated financial statements of the parent company:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' - Carrying amounts for the financial instruments measured at amortised cost or cost less impairment, interest income/expense and net gains/losses for financial instruments measured at amortised cost, loan defaults or breaches, and descriptions of hedging relationships.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Fresenius Medical Care (Holdings) Limited. These consolidated financial statements are available as set out in note 16.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****1. Accounting policies (continued)****1.4 Turnover**

Turnover represents the invoiced amount for dialysis services provided to customers and is derived from the principal activity in the United Kingdom. Turnover is recognised when the risks and rewards associated with the provision of treatments has substantially transferred, in accordance with the contract with the respective healthcare body.

1.5 Employee benefits*Defined contribution pension plan*

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

The contributions are recognised as an expense in the profit and loss account 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 company in independently administered funds.

Group defined benefit pension plan

The company's employees are members of a group-wide defined benefit pension plan, the Fresenius Medical Care Pension Plan ('the Plan').

As there is no contractual agreement or stated group policy for charging the net defined benefit cost of the plan to participating entities, the net defined benefit cost of the pension plan and the net defined benefit liability are recognised fully by the company which is legally responsible for the plan, which is Fresenius Medical Care (UK) Limited, another member of the group. The company then recognises a cost equal to its contribution payable for the period.

1.6 Valuation of investments

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Investments in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in the profit and loss account.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade debtors, accruals, and amounts due to and from group undertakings.

All basic financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. The tax charge for the year comprises current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

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

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

The directors do not consider there to be any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**3. Turnover**

Turnover represents amounts for services provided to customers, derived from the principal activity of the company and is generated in the United Kingdom.

4. Employees

Staff costs were as follows:

	2021 £000	2020 £000
Wages and salaries	15,245	18,430
Social security costs	1,449	1,787
Pension costs	493	588
	<u>17,187</u>	<u>20,805</u>

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

	2021 No.	2020 No.
Administration	9	9
Nursing Services	532	609
	<u>541</u>	<u>618</u>

5. Directors' remuneration

Directors' remuneration is borne by another group company. The directors of the company are also directors or officers of a number of the companies within the group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the years ended 31 December 2021 or 31 December 2020.

6. Auditor's remuneration

	2021 £000	2020 £000
Fees payable to the company's auditor for the audit of the company's annual financial statements	<u>5</u>	<u>5</u>

Audit fees were paid for by a fellow group entity.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Taxation

	2021 £000	2020 £000
Corporation tax		
Group taxation relief	(307)	(595)
Adjustments in respect of previous periods	(43)	-
	<u></u>	<u></u>
Deferred tax		
Origination and reversal of timing differences	50	1
Changes to tax rates	(5)	-
Adjustment in respect of prior periods	11	(9)
	<u></u>	<u></u>
Total deferred tax	56	(8)
	<u></u>	<u></u>
Taxation on loss on ordinary activities	(294)	(603)
	<u></u>	<u></u>

Factors affecting tax credit for the year

The tax credit assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
Loss on ordinary activities before tax	(1,657)	(3,129)
	<u></u>	<u></u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(315)	(595)
Effects of:		
Other	58	1
Change in the tax rate	(5)	-
Adjustments in respect of prior periods	(32)	(9)
	<u></u>	<u></u>
Total tax credit for the year	(294)	(603)
	<u></u>	<u></u>

Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. This was substantively enacted on 24 May 2021.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, based on tax law and the corporation tax rates that have been enacted, or substantively enacted, at the balance sheet date. As such, the deferred tax rate applicable at 31 December 2021 is 25% and deferred tax has been re-measured at this rate. The recent budget on 23 September 2022, the Chancellor of the Exchequer announced that the corporation tax rate would not increase to a maximum of 25% however this not been enacted as at year end.

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Investments

	Investments in subsidiary company £000
Cost	
At 1 January 2021 and at 31 December 2021	300
Impairment	
At 1 January 2021 and at 31 December 2021	300
Net book value	
At 31 December 2021	-
At 31 December 2020	-

Subsidiary undertakings

The following is a subsidiary undertaking of the company:

Name	Registered office	Class of shares	Holding
Optimal Renal Care UK Limited	(1)	Ordinary	100%

(1) The registered office is the same as the company.

9. Debtors

	2021 £000	2020 £000
Trade debtors	2,606	3,645
Amounts owed by group undertakings	6,815	6,688
Deferred taxation (note 11)	22	79
	9,443	10,412

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

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**10. Creditors: amounts falling due within one year**

	2021	2020
	£000	£000
Amounts owed to group undertakings	20,181	19,715
Other taxation and social security	341	608
Accruals	387	192
	<u>20,909</u>	<u>20,515</u>

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

11. Deferred taxation

	2021	2020
	£000	£000
At beginning of year	79	71
(Charged)/credited to the profit and loss account	(57)	8
At end of year	<u>22</u>	<u>79</u>

The deferred tax asset is made up as follows:

	2021	2020
	£000	£000
Tax losses carried forward	-	58
Other	22	21
	<u>22</u>	<u>79</u>

12. Pension commitments

The company participates in a funded defined benefit pension plan for its employees as part of the Fresenius Medical Care Pension Plan ('the Plan').

This is a multi-employer scheme, contributions into which are made by companies within the Fresenius Medical Care (Holdings) Limited group.

There were no contributions to the Plan during the year or 2021.

Further information regarding the Plan is given in the consolidated financial statements of Fresenius Medical Care (Holdings) Limited, which can be obtained from the address given in note 16. This shows that the plan was an asset of £324,000 at 31 December 2021 (2020: £1,213,000 liability).

The company also operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the company to the scheme and amounted to £493,000 (2020: £588,000).

FRESENIUS MEDICAL CARE RENAL SERVICES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
11,210,305 A Ordinary shares of £1 each	11,210	11,210
947,460 B Ordinary shares of £1 each	947	947
	<hr/>	<hr/>
	12,157	12,157
	<hr/>	<hr/>

Both classes of shares rank pari passu.

14. Reserves

Profit and loss account

Represent all current and prior period accumulated profits and losses, less dividends paid.

15. Related party transactions

As the company is a wholly-owned subsidiary of Fresenius Medical Care (Holdings) Limited, the company has taken advantage of the exemption contained in FRS 102 Section 33.1A and has therefore not disclosed transactions or balances with wholly-owned entities which form part of the largest group in which the results of the company are consolidated (see note 16).

16. Ultimate parent undertaking and controlling party

The company is a wholly-owned subsidiary of Fresenius Medical Care (Holdings) Limited (whose registered office is the same as the company), a company incorporated in the United Kingdom, whose ultimate parent undertaking is Fresenius Management SE which is incorporated in Germany and is regarded as the controlling party.

The smallest group in which the results of the company are consolidated is that headed by Fresenius Medical Care (Holdings) Limited, incorporated in the United Kingdom. The consolidated financial statements of Fresenius Medical Care (Holdings) Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The largest group in which the results of the company are consolidated is that headed by Fresenius SE & Co KGaA, which is incorporated in Germany. The Fresenius SE & Co KGaA group financial statements can be obtained from Else-Kröner Strasse 1, D-61352 Bad Homburg, Germany.