

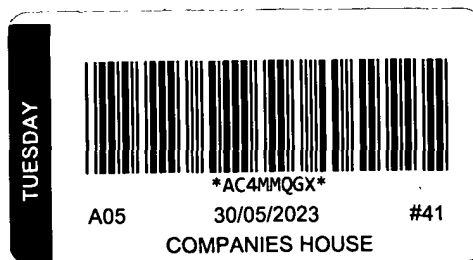
The Treatment Network Limited

Director's Report and Financial Statements

Year Ended

31 May 2022

Company Number 03638331



The Treatment Network Limited

Company Information

Director	G Pulford
Registered number	03638331
Registered office	Speed Medical House 16 Eaton Avenue Matrix Park Chorley Lancashire England PR7 7NA
Independent auditor	BDO LLP 3 Hardman Street Manchester M3 3AT

The Treatment Network Limited

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The Treatment Network Limited

Director's Report For the Year Ended 31 May 2022

The Director presents his report and the audited financial statements for the year ended 31 May 2022.

Principal activity

The principal activity of the Company is the provision of an extensive range of injury rehabilitation services for personal injury and absence management cases.

Director

The Director who served during the year was:

G Pulford

Going concern

The Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2.2 to in the financial statements.

The business was impacted by the onset of the COVID-19 pandemic in March 2020. This impacted not year ended 31 May 2021 but also year ended 31 May 2022. As a result of the national lockdowns client appointments had to be cancelled as experts were unable to carry out appointments to undertake assessments and/or treatments. These appointments and rehabilitation programs had to be cancelled or delayed. The Company very successfully managed the process of ensuring that the staff that continued to work were almost entirely operating from home.

The business received less instructions during years ended 31 May 2021 and 2022 due to the Covid pandemic. There has also been a reduction in physiotherapy instructions following the Whiplash Reform Programme introduced on 31 May 2021 and the reduction in the volume of road traffic accidents and substantially increased home working leading to less incidents at work during the COVID-19 pandemic. Due to the long periods over which these instructions are serviced there has been a reduced level of trading in the year.

The Director has prepared detailed budgets and cash flows based on the circumstances known at the time of their preparation for a period beyond the next twelve months. The assumptions used have then been flexed so as to stress test the budgets to enable the director to confirm his belief that the Company can remain as a going concern.

The Director believes that the business has mitigated as much as possible the uncertainty and difficulties surrounding trading activity at this time after considering reasonably worst case downside scenarios the director has a reasonable expectation that the Company can meet its obligations as they fall due. For these reasons the financial statements have been prepared on a going concern basis.

Qualifying third party indemnity provisions

Directors' and officers' insurance cover has been established for the Director to provide appropriate cover for their reasonable actions on behalf of the Company. The insurance was in force throughout the financial year ended 31 May 2022 and remains in force for all of the current and past Directors of the Company.

The Treatment Network Limited

Director's Report (continued) For the Year Ended 31 May 2022

Disclosure of information to auditor

The Director at the time when this Director's Report is approved has confirmed that:

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

Auditor

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

Small companies note

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23/05/2023

and signed on its behalf.



G Pulford
Director

The Treatment Network Limited

Director's Responsibilities Statement For the Year Ended 31 May 2022

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law, the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law, the Director must not approve the financial statements unless he is 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

The Treatment Network Limited

Independent Auditor's Report to the Members of The Treatment Network Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2022 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.

We have audited the financial statements of The Treatment Network Limited ("the Company") for the year ended 31 May 2022 which comprise Statement of Comprehensive Income, Statement of Financial Position and notes to the financial statements, 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's uses 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 Director with respect to going concern are described in the relevant sections of this report.

The Treatment Network Limited

Independent Auditor's Report to the Members of The Treatment Network Limited (continued)

Other information

The Director is responsible for the other information. The other information comprises the information included in the Director's Report and financial statements, other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

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

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

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 Director's 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 Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Director's Report and from the requirement to prepare a Strategic Report.

Responsibilities of Director

As explained more fully in the Director's Responsibilities Statement, the Director is 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 Director determines 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 Director is 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 Director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Treatment Network Limited

Independent Auditor's Report to the Members of The Treatment Network 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Based on our understanding and accumulated knowledge of the Company and the sector in which it operates we considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. These included but were not limited to those that relate to the form and content of the financial statements, such as the Company's accounting policies, the financial reporting framework and the UK Companies Act 2006. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates as well as inappropriate revenue recognition in relation to year end cut off. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Identifying and testing a sample of journal entries, in particular any journal entries posted meeting certain specific criteria;
- Testing a sample of revenue recognised either side of the period end to ensure revenue had been recognised in the correct period;
- Challenging assumptions, accounting estimates and judgements made by the Director;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

The Treatment Network Limited

Independent Auditor's Report to the Members of The Treatment Network 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.

DocuSigned by:
Julien Rye
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Julien Rye (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester
United Kingdom

Date: 24 May 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Treatment Network Limited

Statement of Comprehensive Income For the Year Ended 31 May 2022

	2022 £	2021 £
Turnover	3,699,773	3,747,713
Cost of sales	(2,709,071)	(2,601,077)
Gross profit	990,702	1,146,636
Administrative expenses	(1,186,507)	(1,143,059)
Other operating income	-	60,834
Operating (loss)/profit	(195,805)	64,411
Interest receivable and similar income	1	1
(Loss)/profit before tax	(195,804)	64,412
Tax on (loss)/profit	(1,490)	(36,178)
(Loss)/profit for the financial year	(197,294)	28,234

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 10 to 19 form part of these financial statements.

The Treatment Network Limited

Registered number: 03638331

Statement of Financial Position As at 31 May 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	5	-	-	88,555	
Tangible assets	6	116,462		56,608	
Investments	7	-	-	-	
			<u>116,462</u>	<u>145,163</u>	
Current assets					
Debtors: amounts falling due within one year	8	2,242,833	1,566,991		
Cash at bank and in hand		3,609	4,420		
		<u>2,246,442</u>	<u>1,571,411</u>		
Creditors: amounts falling due within one year	9	(2,350,428)	(1,508,291)		
Net current (liabilities)/assets			<u>(103,986)</u>	<u>63,120</u>	
Total assets less current liabilities			<u>12,476</u>	<u>208,283</u>	
Deferred tax	11	(6,227)		(4,737)	
Net assets			<u><u>6,249</u></u>	<u><u>203,546</u></u>	
Capital and reserves					
Called up share capital	12	50,932	50,932		
Share premium account		10,226	10,226		
Profit and loss account		(54,909)	142,388		
Shareholders' equity			<u><u>6,249</u></u>	<u><u>203,546</u></u>	

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23/05/2023



G Pulford
Director

The notes on pages 10 to 19 form part of these financial statements.

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

1. General information

The Treatment Network Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information Page and the nature of the Company's operations and its principal activity is set out in the Director's Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Company's functional and presentational currency is pound sterling. All amounts presented are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

The Director has prepared detailed budgets and cash flows based on the circumstances known at the time of their preparation for a period beyond the next twelve months. The assumptions used have then been flexed so as to stress test the budgets to enable the Director to confirm his belief that the Company can remain as a going concern. After considering reasonably worst case downside scenarios the directors have a reasonable expectation that the Company can meet its obligations as they fall due. For these reasons the financial statements have been prepared on a going concern basis.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the period, exclusive of Value Added Taxes and trade discounts. Turnover is recognised when the service has been provided which is considered to be when the case has closed.

Turnover has been generated only within the United Kingdom and within one class of business.

2.5 Interest income

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

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

2. Accounting policies (continued)

2.6 Finance costs

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

2.7 Operating leases: the company as lessee

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

2.8 Pensions

Defined contribution pension plan

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

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

2.9 Taxation

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

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

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

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

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

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

2. Accounting policies (continued)

2.10 Government grants

Other operating income consists of payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

2.11 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.

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.

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 ten years.

Amortisation is provided on the following bases:

Computer software	- 25 % straight line
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2.12 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.

The Company 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 Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income 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.

The estimated useful lives range as follows:

Leasehold property improvements	- over the life of the lease
Office equipment	- 25% straight line
Computer equipment	- 25% 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 statement of comprehensive income.

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

2. Accounting policies (continued)

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 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.

2.15 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.

2.16 Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The Company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

2.17 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.

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

In the application of the Company's accounting policies, which are described in note 2, the Director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The Director confirms the Company does not have any critical accounting judgements and key sources of estimation uncertainty.

4. Employees

The average monthly number of employees, including the Director, during the year was 41 (2021 - 37).

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

5. Intangible assets

	Computer software £
Cost	
At 1 June 2021	298,316
Additions	10,487
Disposals	(66,349)
At 31 May 2022	<u>242,454</u>
Amortisation	
At 1 June 2021	209,761
Charge for the year	32,693
At 31 May 2022	<u>242,454</u>
Net book value	
At 31 May 2022	<u>-</u>
At 31 May 2021	<u>88,555</u>

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

6. Tangible fixed assets

	Leasehold property improvements £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 June 2021	93,859	4,379	101,948	200,186
Additions	1,133	-	88,227	89,360
At 31 May 2022	94,992	4,379	190,175	289,546
Depreciation				
At 1 June 2021	71,078	3,573	68,927	143,578
Charge for the year	7,898	514	21,094	29,506
At 31 May 2022	78,976	4,087	90,021	173,084
Net book value				
At 31 May 2022	16,016	292	100,154	116,462
At 31 May 2021	22,781	806	33,021	56,608

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2021	239,506
At 31 May 2022	239,506
Impairment	
At 1 June 2021	239,506
At 31 May 2022	239,506
Net book value	
At 31 May 2022	-
At 31 May 2021	-

The investment was fully impaired in prior years, following an assessment by the Director of the value in use of the underlying assets.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Corpore Limited	Ordinary	100%	Human health activities
@Physio Limited	Ordinary	100%	Human health activities

The registered address of all of the above subsidiary undertakings is Speed Medical House, 16 Eaton Avenue, Matrix Park, Chorely, Lancashire, PR7 7NA.

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

8. Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	75,036	100,636
Amounts owed by group undertakings	1,812,649	1,355,569
Amounts owed by related parties	2,912	-
Other debtors	238,114	12,171
Prepayments and accrued income	114,122	98,615
	<u>2,242,833</u>	<u>1,566,991</u>

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

9. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	221,752	-
Trade creditors	405,805	69,138
Amounts owed to group undertakings	764,619	760,101
Other taxation and social security	26,521	56,341
Other creditors	123,448	1,098
Accruals and deferred income	808,283	621,613
	<u>2,350,428</u>	<u>1,508,291</u>

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

10. Contingent liabilities

An unlimited multilateral guarantee is in place between The Treatment Network Group Limited, The Treatment Network (Holdings) Limited, The Treatment Network Limited and Corpore Limited and HSBC Bank PLC on outstanding borrowings of up to £400,000 (2021 - £400,000). HSBC Bank PLC also holds a fixed charge over all freehold and leasehold property in the group and a first fixed and floating charge over all other assets. At the year end, the liabilities covered by these guarantees totalled £221,752 (2021 - £Nil).

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

11. Deferred taxation

	2022 £
At beginning of year	4,737
Charged to profit or loss	(1,490)
At end of year	6,227

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	10,756	9,443
Short term timing differences	(4,529)	(4,706)
	6,227	4,737

12. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
50,932 (2021 - 50,932) Ordinary shares of £1 each	50,932	50,932

Each Ordinary share is entitled to one vote in any circumstances. The holders of the Ordinary shares have equal rights to dividends and capital. The Ordinary shares in issue are not liable to be redeemed.

13. Commitments under operating leases

At 31 May 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	5,872	12,760
Later than 1 year and not later than 5 years	1,075	5,430
	6,947	18,190

The Treatment Network Limited

Notes to the Financial Statements For the Year Ended 31 May 2022

14. Related party transactions

The Company has taken advantage of the exemption available in Section 1AC.35 of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

At the year end the Company owed £943 (2021 - £Nil) By EQL Limited. During the year the Company acquired services in the sum of £5,064 (2021 - £Nil) from EQL Limited. EQL Limited is considered a related party by virtue of common control.

15. Ultimate parent undertaking and controlling party

The ultimate controlling parent is FL 360 Limited, a company incorporated in England and Wales.

FL360 Limited owns a controlling interest of 100% of the issued share capital in The Treatment Network Group Limited, which indirectly holds 100% of the share capital in The Treatment Network Limited. The immediate parent company of The Treatment Network Limited, is The Treatment Network (Holdings) Limited, a company incorporated in England and Wales. The registered address of all these entities is Speed Medical House, Matrix Park, Chorley, Lancashire, PR7 7NA.

FL 360 Limited is the smallest and largest group in which the Company's results are consolidated. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is Dr Rajnish Luthra.