



Alliance Holdings Medical Limited

Alliance Medical Holdings Limited

Annual Report & Financial Statements

For the year ended 30 September 2021

Company number 04113112

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Alliance Holdings Medical Limited

DIRECTORS

H A D Marsh
M D Chapman
P P Van Der Westhuizen

INDEPENDENT AUDITORS

Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

BANKERS

NatWest Bank plc
1 Town Hall Building
Banbury
Oxford
OX16 8JS
United Kingdom

REGISTERED OFFICE

Iceni Centre
Warwick Technology Park
Warwick
Warwickshire
CV34 6DA
United Kingdom



Alliance Medical Holdings Limited

STRATEGIC REPORT

PRINCIPAL ACTIVITY AND REVIEW OF THE YEAR

The principal activity of the Company during the year was that of strategic management services.

REVIEW OF THE BUSINESS

The Company provides strategic management services to fellow Group companies and transfers the costs of these services across the Group.

The key performance indicators of the Company are:

	Year to 30 September 2021	Year to 30 September 2020
	£000	£000
EBITDA	(3,906)	(3,829)
Net liabilities	(19,202)	(12,999)

EBITDA is made up of Turnover less Admin expenses (excluding amortisation of £16,000 (2020: £65,000)).

The directors deem the success of this company to be measured on the success of the Alliance Medical Group as a whole, as that is what this company aims to support.

This company does not consider there to be any other key performance indicators relevant to the business.

RESULTS AND DIVIDENDS

The loss for the financial year after taxation amounted to £5,957,000 (2020: £2,990,000) and was funded from reserves. The loss is as a result of the costs being incurred by the management team that have not then been recovered by recharging to the regions.

Dividends totalling £nil were paid in the period (2020: £nil), and the directors have not proposed a dividend since year end.

Alliance Medical Holdings Limited
STRATEGIC REPORT (continued)
MANAGEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

The Company Directors recognise the importance of sound risk management to the success of operations and accordingly set policies to mitigate the risks. The principal risks and uncertainties facing the Company and the potential impact and mitigation are summarised below.

Risk Category	Potential Impact	Mitigation
Liquidity risk	Withdrawal of funding	Liquidity risk is managed at the Group level and includes regular monitoring of, and reporting compliance with, bank covenants both prospectively and retrospectively; Applying cash collection targets throughout the Group; Regular cash flow forecasting, with action taken if needed to re-time flows.
Counterparty credit risk	A fellow subsidiary undertaking may not satisfy its contractual obligations in meeting its inter-company liabilities	Counterparty credit risk is mitigated by ensuring that loans to fellow subsidiaries contribute to the long term success of the Group.
Economic risk following referendum decision to leave the European Union	Reduced profitability as a result of instability in the Sterling	Hedging via a portion of a parent undertaking's borrowings being denominated in Euros.

Alliance Medical Holdings Limited

STRATEGIC REPORT (continued)

SECTION 172(1) STATEMENT

In performing their duties under section 172, the directors of Alliance Medical Holdings Limited have had regard to the matters set out in section 172(1) as follows:

The directors' approach

The Group operates on a decentralised basis, with the Board having established an organisational structure with clear reporting procedures, lines of responsibility and delegated authority. The Board is ultimately accountable to the Company's shareholders for setting the Company's strategy and for overseeing its financial and operational performance in line with the parent company's strategic objectives. Implementation of the Company's strategic objectives, as determined and overseen by the Board, is delegated to the local senior management teams within each region, who are also responsible for the day to day operational management of their businesses.

The Board cultivates strong relationships with key stakeholders so that it is well placed and sufficiently informed to take their considerations into account when making decisions where appropriate in order to discharge their legal obligations and to pursue the Company's strategic objectives. Our purpose is to create long-term value for stakeholders and in order to do this, we need to understand our stakeholders and what matters to them.

Maintaining our licence to operate

In executing our strategy, Directors must act in accordance with a set of general duties detailed in section 172 of the Companies Act 2006. These general duties include a duty to promote the success of the Company, and specifically to act in a way that the Director considers, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and, in doing so, having regard (amongst other matters) to the following:

Board oversight and Decision making

The board meets on a regular basis to review performance, including:

- Clinical governance and quality measures
- Human resource implications
- Operational delivery
- Financial performance
- Progress towards strategic objectives

Key decisions are taken in these meetings, being those which are material or of strategic importance to the Group. These decisions are made in line with a Delegation of Authority as set by the Board of the ultimate parent company, Life Healthcare Group Holdings Limited ("Life Healthcare"). For decisions that do fall outside the Delegation of Authority, a recommendation is made by the Board to the appropriate sub-committee of Life Healthcare Group for further consideration.

Examples of key decisions taken during the year include:

Approval of 2022 budget

The board approved the final budget for the 12 months to September 2022, in September 2021, subject to the final approval of the Life Healthcare Group Board. The budget was based on business plans and targets for each main area of the Group, including any investments needed to fulfil these.

Capital investment in additional scanning capacity

During the year the Group acquired additional mobile MRI and CT scanners as well as investing in static imaging capacity, particularly in its central London locations. The Company also invested in innovative Expandable Mobile CT Scanners significantly enhancing the patient experience and mobile services provided to patients.

Alliance Medical Holdings Limited

STRATEGIC REPORT (continued)

Key Stakeholders

As a healthcare provider, we have a large number of stakeholders, including patients, employees, regulators and commissioners, customers and suppliers and we ensure we take into account their interests when making decisions impacting the business and others.

Having regard to the need to foster the Company's business relationships with patients

Our patients are central to everything we do. The board receives regular updates on quality and compliance metrics so that the quality of services provided can be closely monitored. Patient feedback, both positive and negative, is essential for the development of our service and to ensure we are providing the best possible care for patients.

Having regard to the interests of the Company's employees

The Company employs clinical staff and administrative teams to support them and enable their focus on patient care. The Company acknowledges that the employees' knowledge and expertise are critical to the success of the services it provides and are committed to providing training and opportunities to its employees to develop skills.

The Company engages with employees through a number of channels, including the Employee Forum, operational team briefings, regular communications from the UK MD and updates through the intranet.

The Directors monitor the results of regular staff surveys, so that the board is able to discuss human resourcing matters with the interests of the employees at the centre. Engaging with our employees enables us to create an inclusive culture and a positive working environment.

Having regard to the need to foster the Company's business relationships with Regulators & Commissioners

As a provider of healthcare services, it is essential our services are provided in line with local regulator & commissioners needs. The Board considers the requirements of regulators & commissioners when making decision on resource allocations to ensure the needs can be met and to ensure compliance.

Having regard to the need to foster the Company's business relationships with Customers

Developing and maintaining a close working relationship with our customers, who are predominantly public healthcare providers is key and helps us to better understand their needs. Our teams use their significant experience, expertise and know how in providing high quality healthcare services and constantly refine what they do to provide continuous improvement in our service offering.

With respect to long term decisions

All major decisions are reviewed and validated by the directors at regular board meetings with all key decisions supported by detailed briefings identifying main issues, main recommendations, and alternatives considered and the likely long term impact on the company in respect of value creation, its environmental and community effect and any implications for key stakeholders.

With respect to high standards of business conduct

We acknowledge the responsibility we have to our local community in which we operate and are committed to operating to the highest standards and, given our global presence, our duty to act to the highest standards on an international scale. The vast majority of our workforce is drawn from local residence generating wealth in the areas we operate as well as bolstering employment opportunities.

Having regard to the need to act fairly as between members of the company

The ultimate parent undertaking is Life Healthcare Group Holdings Limited, incorporated in South Africa. The board at South Africa level are represented within Life UK Holdco Ltd and its subsidiaries as mutual directors sit on both boards. As a result the directors are fully aligned with its shareholders.



Alliance Medical Holdings Limited

STRATEGIC REPORT (continued)

Having regard to the need to foster the Company's business relationships with Suppliers

The company fosters good relationships with its key suppliers and often works in partnership with them to deliver innovative solutions to better benefit the services provided to its customers and stakeholders and improve the delivery of services. It has developed a Supplier Code of Conduct which sets out key laws, standards and principles that it expects each of its Suppliers to comply with.

Having regard to the need to foster the Company's business impacts on the environment and the community

The Company recognises the serious threat posed by climate change and the urgent need for meaningful action and is committed to working with its internal and external stakeholders to introduce measures that will assist. As part of our improvement plans, our businesses will seek to reduce their GHG emissions over time through more efficient use of electricity, fuel and heat, and by increasing the proportion of renewable energy where commercially viable. The Company has introduced electric vehicles into its fleet, energy efficient lighting into its buildings as well as recycling facilities and will continue to work with stakeholders in connection with any further measures that can be introduced.

FUTURE DEVELOPMENTS

The Directors continue to seek new territories and technologies to expand the opportunities to enhance shareholder value across the Group.

Approved by the board on 20 December 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'H A D Marsh'.

H A D Marsh
Director

Iceni Centre
Warwick Technology Park
Warwick
CV34 6DA
United Kingdom



Alliance Medical Holdings Limited

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements for year ended 30 September 2021.

FUTURE DEVELOPMENTS

The Directors continue to seek new territories and technologies to expand the opportunities to enhance shareholder value across the Group.

DIRECTORS AND THEIR INTERESTS

The Directors of the Company who were in office during the period and up to the date of signing the financial statements were as follows:

H A D Marsh
M D Chapman
P P Van Der Westhuizen

No Director is beneficially interested in the share capital of the Company.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the year and at the date of approval of the financial statements there were insurance cover for Directors' and Officers' liability as permitted under section 232 (2) of the Companies Act 2006. These are third party indemnity policy and it's a Global policy arranged by the company's Ultimate Parent and controlling party, Life Healthcare Group Holdings Limited.

DIVIDENDS

During the year a dividend of £nil was paid to shareholders (30 September 2020: £nil). Since year end no dividends have been proposed.

POLITICAL DONATIONS

The Company made £nil (2020: £nil) political donations during the year.

GOING CONCERN

The Group performs regular assessments on the going concern status of the Group. These assessments take into consideration:

- current solvency of the Group;
- current liquidity position;
- available committed and uncommitted bank facilities;
- cash commitments for the next 12 months;
- bank covenants; and
- debt maturities.

As part of the assessments the board of directors has reviewed the Group budgets, forecasts, available cash resources and unutilised facilities as well as the debt maturity profile. The forecasts for the Group have been prepared, covering its future performance, capital and liquidity for a period of 12 months from the date of approval of these consolidated financial statements including performing sensitivity analyses. The next 12 months' cash flows included expected impact of COVID-19 including further waves and the impact of vaccinations.

To ensure the group has sufficient cash reserves, the wider Group continued its cash preservation drive across its operations, including suspending group dividend payments (2020 final and 2021 interim) and deferring capex projects.



Alliance Medical Holdings Limited

DIRECTORS' REPORT (continued)

The wider group successfully refinanced its term debt in the international operations during March 2020 and refinanced debts in the South African business during June 2021, thereby extending the debt maturities. The Group is expected to remain within banking covenants for the next reporting period based upon current forecasts. Given the ongoing uncertainty around COVID-19 and the future impact this may have on the Group, Life Healthcare Group has kept in place some of the additional banking facilities that were put in place during 2020 and renewed in 2021.

The Group's assessments and sensitivity analysis show that the Group has sufficient accessible capital and liquidity to continue to meet its obligations as they fall due and as a result it is appropriate to prepare these consolidated financial statements on a going concern basis.

FINANCIAL RISK MANAGEMENT

The principal risks and uncertainties facing the Company and the potential impact and mitigation are summarised in the Strategic Report.

ENERGY AND CARBON REPORTING

Greenhouse Gas (GHG) emissions and energy use data for Life UK Holdco Limited and the operations carried out by its UK subsidiaries, for financial accounting year ending September 2021.

Scope	Energy use, kWh	Oct 20 to Sep 21	Oct 19 to Sep 20
1	Static/Modular Sites, gas	2,576,392	2,216,645
1	Company cars, business miles	3,198,233	3,107,763
1	Mobiles generators, in transit	366,203	486,121
1	Mobiles generators, in situ	4,476,630	3,750,902
2	Static/Modular Sites, electric	15,009,208	11,000,826
2	Mobile Units in situ, electric	14,356,072	10,021,504
3	Employee cars, business miles	509,831	619,562
1,2,3	TOTAL	40,492,568	31,203,324
Scope	Carbon dioxide equivalent emissions, tCO ₂ e	Oct 20 to Sep 21	Oct 19 to Sep 20
1	Static/Modular Sites, gas	472.3	415.4
1	Company cars, business miles	747.2	733.9
1	Mobiles generators, in transit	94.0	124.8
1	Mobiles generators, in situ	1,149.5	963.0
2	Static/Modular Sites, electric	3,265.0	2,622.7
2	Mobile Units in situ, electric	3,122.9	2,392.7
3	Employee cars business miles	119.1	146.2
1, 2, 3	TOTAL	8,970.1	7,398.7
	Intensity Ratio, tCO₂e/FTE	8.7	7.7
Scope	Other carbon dioxide equivalent emissions, tCO ₂ e	Oct 20 to Sep 21	Oct 19 to Sep 20
3	Static/Modular Sites, electric grid T&D	286.8	224.8
3	Mobile Units in situ, electric grid T&D 10,021,504 kWh	274.3	205.1
3	Employees home, electric estimated	24.6	10.1
3	Employees home, electric grid T&D estimated	2.2	0.9
3	TOTAL	706.9	587.0



Alliance Medical Holdings Limited

DIRECTORS' REPORT (continued)

Energy Efficiency Action

Life UK Holdco and each of its UK Subsidiaries are committed to initiatives that improve energy efficiency and the reduction of CO2 emissions. One such initiative is the introduction of Ultra Low Emission plug in hybrid and electric vehicles in the car fleet scheme, accompanied by the planned introduction of site based electric charging points. This initiative has reduced the average vehicle's CO2 emission figure on the managed fleet from 103g/km-92g/km during the last 12 months and this level of reduction is expected to continue during the next 12 months. Other energy efficient initiatives have been the introduction of energy efficient lighting at sites along with a commitment to develop and build low carbon diagnostic facilities to deliver the most energy efficient premises. Consideration is also being given to the introduction of Renewable Energy Tariffs in respect of our future energy supplies.

Whilst the figures in the table above represent an increase in consumption and therefore CO2 emissions over the year, a number of factors have contributed to this; the growth of the static sites and mobile services particularly in view of COVID -19 , the introduction of a radiopharmaceutical manufacturing site/increased radiopharmaceutical production and capacity during the period; the number of employees working from home along with the increased number of vehicles in the car fleet during this period.

Methodology

This SECR report has been prepared in accordance with HM Government Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, March 2019 (Updated Introduction and Chapters 1 and 2), PB 13944, predominately Chapter 2; "Guidance on Streamlined Energy and Carbon Reporting".

The approach used to identify, collate and calculate the figures follows that used for last year's SECR and was developed from that used to produce the Total Energy Consumption (TEC) for the Energy Savings Opportunity Scheme (ESOS P2, 2019 and ESOS P1, 2015), using reports and information from the company and the latest Government GHG conversion factors (for 2021 and 2020).

In accordance with the guidance, where verifiable data was not available, data has been estimated by direct comparison, pro-rata extrapolation or benchmarking.

As last year, COVID 19 has affected work patterns, eg. due to distancing and lock-downs, etc. resulting in more staff working at home.

Reflecting an email dialogue with Department for Business, Energy and Industrial Strategy (BEIS), estimates have been made for electric used by employees when working from their homes (tele-working).



Alliance Medical Holdings Limited

DIRECTORS' REPORT (continued)

AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board on 20 December 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'H A D Marsh', written over a horizontal line.

H A D Marsh
Director

Iceni Centre
Warwick technology Park
Warwick
CV34 6DA
United Kingdom



Alliance Medical Holdings Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Alliance Medical Holdings Limited
Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Alliance Medical Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 19.

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 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 Financial Reporting Council's (the 'FRC'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.

Independent auditor's report to the members of Alliance Medical Holdings Limited
Report on the audit of the financial statements (continued)

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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.

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

Independent auditor's report to the members of Alliance Medical Holdings Limited
Report on the audit of the financial statements (continued)

Extent to which the audit was considered 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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Independent auditor's report to the members of Alliance Medical Holdings Limited
Report on the audit of the financial statements (continued)

Report on other legal and regulatory requirements

Opinions 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.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception


Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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:

22AFA05F393B47A.

Peter Gallimore, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
20 December 2021


Alliance Medical Holdings Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2021

	Notes	Year to 30 September 2021 £000	Year to 30 September 2020 £000
TURNOVER	4	132	134
Administrative expenses		(4,054)	(4,028)
OPERATING LOSS	5	(3,922)	(3,894)
Interest receivable/(payable) and similar income	8	(2,035)	904
LOSS BEFORE TAXATION		(5,957)	(2,990)
Tax on loss	10	-	-
LOSS FOR THE FINANCIAL YEAR		(5,957)	(2,990)

The Company's activities all derive from continuing operations.

There is no other comprehensive income or expenses other than those included above and therefore a statement of comprehensive income has not been included in these financial statements.


Alliance Medical Holdings Limited
BALANCE SHEET

Company registered number: 04113112

As at 30 September 2021

	Notes	At 30 September 2021 £000	At 30 September 2020 £000
FIXED ASSETS			
Intangible assets	11	-	111
		-	111
CURRENT ASSETS			
Debtors: amounts falling due within one year	12	40,661	37,375
Cash at bank and in hand		1,262	596
		41,923	37,971
Creditors: amounts falling due within one year	13	(60,166)	(50,628)
NET CURRENT LIABILITIES		(18,243)	(12,657)
TOTAL ASSETS LESS CURRENT LIABILITIES		(18,243)	(12,546)
Creditors: amounts falling due after more than one year	13	(959)	(439)
Provisions for liabilities and charges	14	-	(14)
NET LIABILITIES		(19,202)	(12,999)
CAPITAL AND RESERVES			
Called up share capital	16	37,517	37,517
Share premium account		4,550	4,550
Capital contribution reserve		(247)	-
Profit and loss account		(61,022)	(55,066)
TOTAL SHAREHOLDERS' DEFICIT		(19,202)	(12,999)

The notes on pages 20 to 31 form an integral part of these financial statements.

These financial statements on pages 17 to 31 were approved by the Board of Directors on 20 December 2021 and were signed on its behalf by:

 H A D Marsh
Director


Alliance Medical Holdings Limited
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 September 2021

	Called up share capital £000	Share premium account £000	Capital contribution reserve £000	Profit and loss account £000	Total Shareholders' deficit £000
At 1 October 2019	37,517	4,550	-	(52,076)	(10,009)
Loss for the financial year and total comprehensive loss	-	-	-	(2,990)	(2,990)
At 30 September 2020	37,517	4,550	-	(55,066)	(12,999)
Loss for the financial year and total comprehensive loss	-	-	-	(5,956)	(5,956)
Capital contribution	-	-	(247)	-	(247)
At 30 September 2021	37,517	4,550	(247)	(61,022)	(19,202)

The balance in capital contribution reserve relates to a share based payment scheme for Alliance Medical Holdings employees. The shares involved are in the parent company and not Alliance Medical Holdings itself. The balance of £247k relates to the amount accrued to date in the P&L, this was a new scheme that was set up in January 2021.



Alliance Medical Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2021

1. GENERAL INFORMATION

The Company is a private company limited by shares and is incorporated in the United Kingdom under Companies Act 2006 and registered in England. The address of the registered office and principle place of business is shown on page 2. The principal activity of the Company is shown in the Strategic Report on page 3.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

These financial statements have been prepared on a going concern basis under the historical cost convention.

Going concern

The Group performs regular assessments on the going concern status of the Group. These assessments take into consideration:

- current solvency of the Group;
- current liquidity position;
- available committed and uncommitted bank facilities;
- cash commitments for the next 12 months;
- bank covenants; and
- debt maturities.

As part of the assessments the board of directors has reviewed the Group budgets, forecasts, available cash resources and unutilised facilities as well as the debt maturity profile. The forecasts for the Group have been prepared, covering its future performance, capital and liquidity for a period of 12 months from the date of approval of these consolidated financial statements including performing sensitivity analyses. The next 12 months' cash flows included expected impact of COVID-19 including further waves and the impact of vaccinations.

To ensure the group has sufficient cash reserves, the wider Group continued its cash preservation drive across its operations, including suspending group dividend payments (2020 final and 2021 interim) and deferring capex projects.

The wider group successfully refinanced its term debt in the international operations during March 2020 and refinanced debts in the South African business during June 2021, thereby extending the debt maturities. The Group is expected to remain within banking covenants for the next reporting period based upon current forecasts. Given the ongoing uncertainty around COVID-19 and the future impact this may have on the Group, Life Healthcare Group has kept in place some of the additional banking facilities that were put in place during 2020 and renewed in 2021.

The Group's assessments and sensitivity analysis show that the Group has sufficient accessible capital and liquidity to continue to meet its obligations as they fall due and as a result it is appropriate to prepare these consolidated financial statements on a going concern basis.



Alliance Medical Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2021

3. ACCOUNTING POLICIES (continued)

Basis of consolidation

Group financial statements have not been prepared as permitted by Section 401 of the Companies Act 2006, as the Company is a wholly owned subsidiary of Life Healthcare Group Holdings Limited, a company incorporated in South Africa, from whose registered office Group financial statements may be obtained. Therefore these financial statements present information about the Company and not about its Group. The financial statements can be obtained by writing to the Group Secretary at Oxford Manor, 21 Chaplin Road, Illovo, Gauteng, South Africa, 2196, its registered address.

Exemptions

As a qualifying entity, the company has taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its ultimate parent, Life Healthcare Group Holdings Ltd, which may be obtained at its registered address at Oxford Manor, 21 Chaplin Road, Illovo, Gauteng, South Africa, 2196.

The Company has taken advantage of the exemption provided in paragraph 1.12(b) of FRS 102 from preparing a Statement of Cash Flows.

The Company has taken advantage of the exemption provided in paragraph 4.12(a) of FRS 102 from preparing a reconciliation of the numbers of shares outstanding at the beginning and end of the period.

The Company has taken advantage of the exemption provided in paragraph 33.7 of FRS 102 from disclosing key management personnel compensation.

The Company has taken advantage of the exemption provided in paragraphs 11.39-11.48A and 12.26-12.29 of FRS 102 from disclosing certain financial instrument disclosures. The financial instrument disclosures are incorporated into the Group financial statements of the ultimate UK parent undertaking.

The Company has taken advantage of the exemption in paragraph 33.1(a) of FRS 102 from disclosing transactions with related parties that are other wholly owned members of the Alliance Medical Group Limited.

Share-based payments

Where the Company's ultimate parent Company has granted rights to its equity instruments to employees of the Company, such arrangements are accounted for as equity-settled share-based payment arrangements. In such instances a capital contribution is recognised to the extent that the Company is not recharged by its parent.

Where the Company grants to its employees rights to equity instruments of its parent, the Company accounts for such arrangements as cash-settled share-based payment arrangements.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions.



Alliance Medical Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2021

3. ACCOUNTING POLICIES (continued)

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

For cash-settled share-based payments, a liability is recognised for the services acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

Revenue recognition

Turnover, which excludes value added tax, represents the value of services supplied, and is recognised according to the value of services supplied in the period.

Intangible assets

Intangible assets are stated at cost, which is the amount paid, less accumulated amortisation and impairment losses. Purchased technology is amortised over their estimated useful life of 3 to 4 years.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that comply with all of the condition of paragraph 11.9 of FRS 102 are classified as 'basic'. For debt instruments that do not meet the conditions of FRS 102.11.9, the company considers whether the debt instrument is consistent with the principle in paragraph 11.9A of FRS 102 in order to determine whether it can be classified as basic. Instruments classified as 'basic' financial instruments are measured subsequently at amortised cost using the effective interest method.

Alliance Medical Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2021

3. ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in non-derivative instruments that are equity of the issuer (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of transaction costs.

(iv) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.



Alliance Medical Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2021

3. ACCOUNTING POLICIES (continued)

Pensions

The Company operates defined contribution pension plans, administered by a third party, for Directors and employees. Contributions are charged to the profit and loss account as they become payable.

Current tax

Current tax is the amount of income tax payable in respect of the taxable results for the period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred taxation

The deferred taxation charge takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the expectation that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Functional and presentation currency

The Company's functional and presentation currency is the pound sterling.

Critical accounting judgements and sources of estimation uncertainty

There were no critical accounting judgements that would have a significant effect on the amounts recognised in the Company Financial Statements or key sources of estimation uncertainty at the balance sheet date that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. TURNOVER

Turnover represents amounts for the provision of services which fall within the Company's continuing activities, stated net of value added tax. All turnover originates in, and has an ultimate destination of, Europe.



Alliance Medical Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2021

5. OPERATING LOSS

This is stated after charging:

		Year to 30 Sep 2021 £000	Year to 30 Sep 2020 £000
Auditors' remuneration	- audit of these financial statements	26	25
	- tax and other services	-	-
Operating lease rentals	- land and buildings	-	-

Total auditor's remuneration of £513,780 (2020: £534,021) was expensed in respect of the audit of Alliance Medical Acquisitionco Limited, Alliance Medical Group Limited, Alliance Medical Limited, Alliance Medical Leasing Limited, Alliance Diagnostic Services Limited, Alliance Medical Radiopharmacy Limited and the ESC group of companies, all fellow subsidiary undertakings, all of which is borne by Alliance Medical Holdings Limited.

6. Directors remuneration

	Year to 30 Sep 2021 £000	Year to 30 Sep 2020 £000
Emoluments	875	747
Company contributions paid to defined contribution pension schemes	6	11
	881	758

Contributions of £6,000 (2020: £11,000) were made to defined contribution pension schemes on behalf of one (2020: one) Director during the period. Three (2020: three) Directors of the Company were also, or have also been, Directors of one or more companies in the Group during the period. These Directors do not believe that it is practicable to apportion their emoluments between their services as Directors of the Company and their services as Directors of other companies in the Group, hence the full value of their emoluments are shown in this company. Emoluments include £nil (2020: £nil) in respect of payments for loss of office.

Emoluments include £nil (2020: £nil) in respect of payments made for executive directors becoming non-executive.

The amounts in respect of the highest paid director are as follows:

	30 Sep 2021 £000	30 Sep 2020 £000
Emoluments	533	432
Company contributions paid to defined contribution pension schemes	6	11
	539	443



Alliance Medical Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2021

7. Staff costs

	Year to 30 Sep 2021 £000	Year to 30 Sep 2020 £000
Wages and salaries	1,549	1,646
Social security costs	121	221
Other pension costs	11	49
Redundancy payments	-	-
	<u>1,681</u>	<u>1,916</u>

The average monthly number of employees (including Directors) during the period was 12 (2020: 10). These were all administration staff.

8. INTEREST PAYABLE/RECEIVABLE AND SIMILAR CHARGES/INCOME

	Year to 30 Sep 2021 £000	Year to 30 Sep 2020 £000
Net retranslation of foreign currency loans and receivables	<u>(2,035)</u>	<u>904</u>

9. SHARE-BASED PAYMENTS

Equity-settled share option scheme

The Company participates in a share option scheme for one director. Options are exercisable on the shares of the ultimate parent Company at a price equal to the estimated fair value of the parent Company's shares on the date of grant. The vesting period is three years. Options are forfeited if the employee leaves the Company before the options vest.

The options outstanding at 30 September 2021 had a weighted average remaining contractual life of 2.5 years. In 2021, options were granted on 18th January 2021. The aggregate of the estimated fair values of the options granted on those dates is £306,269, no grants were made in 2020.

Cash-settled share-based payments

The Company issues to certain employees share appreciation rights (SARs), determined by reference to the Company's parent's shares, that require the Company to pay the intrinsic value of the SAR to the employee at the date of exercise. The Company has recorded liabilities of £959k and £439k in 2021 and 2020. The Company recorded total expenses of £520k and £439k in 2021 and 2020, respectively. The obligation to make these payments sits with Alliance Medical Holdings Limited.



Alliance Medical Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2021

10. TAX ON LOSS

(a) Tax on loss

There is no taxation in the period (2020: £nil).

(b) Factors affecting the tax for the period

The tax assessed for the period differs from (2020: differs from) that resulting from applying the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	Year to 30 Sep 2021 £000	Year to 30 Sep 2020 £000
Loss before tax	(5,957)	(2,990)
Loss at the standard rate of 19% (2020: 19%)	(1,132)	(568)
Effects of:		
Expenses not deductible for tax purposes	53	83
Utilisation of losses not recognised	154	-
Transfer pricing adjustment – imputed interest	-	(390)
Effect of a change in tax rate	(59)	
Group relief surrendered/(claimed) for no consideration	984	875
Total tax for the year (note 9 (a))	-	-

There are no expiry dates of any timing differences or unused tax losses generated within this company.

(c) Factors affecting current and future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase from 19% to 25%. This change has no impact on these financial statements other than the unrecognised deferred tax disclosure below.

(d) Factors affecting the tax charge for the period

The Company has an unrecognised deferred tax asset in relation to accelerated capital allowances and other timing differences of £24,000 (2020: £23,000). There is also unrecognised deferred tax asset in relation to trading losses totalling £93,000 (2020: £71,000).

Deferred tax is not recognised as the future recovery of the asset is uncertain.



Alliance Medical Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2021

11. INTANGIBLE ASSETS

	Purchased technology £000	Total £000
Cost		
At 30 September 2020	290	290
Additions	87	87
Disposals	(182)	(182)
At 30 September 2021	195	195
Accumulated depreciation		
At 30 September 2020	(179)	(179)
Amortisation	(16)	(16)
At 30 September 2021	(195)	(195)
NBV as at 30 September 2021	-	-
NBV as at 30 September 2020	111	111

12. DEBTORS

	At 30 Sep 2021 £000	At 30 Sep 2020 £000
Amounts owed by Group undertakings	40,276	37,361
Prepayments and accrued income	385	14
	40,661	37,375

Amounts owed by Group undertakings are unsecured, interest free, and are repayable on demand.



Alliance Medical Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2021

13. CREDITORS

Amounts falling due within one year	At 30 Sep 2021 £000	At 30 Sep 2020 £000
Amounts owed to Group undertakings	58,244	49,251
Employee payables	615	534
Other taxation and social security	69	57
Accruals and deferred income	1,238	786
	60,166	50,628

Amounts owed to Group undertakings, which are all UK-based, are unsecured, are repayable on demand and are interest free.

Amounts falling due after more than one year	At 30 Sep 2021 £000	At 30 Sep 2020 £000
Employee payables	959	439
	959	439

14. PROVISIONS FOR LIABILITIES

	Onerous lease provision £000
At 1 October 2019	-
Charged to the income statement	14
Utilised in the period	-
At 30 September 2020	14
Charged to the income statement	-
Utilised in the year	(14)
At 30 September 2021	-

Of the total onerous lease provision, £nil is due within one year (2020: £14,000).



Alliance Medical Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2021

15. CAPITAL AND OTHER COMMITMENTS

The Company's total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	At 30 Sep 2021 £000	At 30 Sep 2020 £000
Within one year	-	14
Between two and five years	-	-
	<u>-</u>	<u>14</u>

16. CALLED UP SHARE CAPITAL AND RESERVES

	At 30 Sep 2021 No.	At 30 Sep 2021 £000	At 30 Sep 2020 No.	At 30 Sep 2020 £000
Ordinary shares of 1p each				
Authorised	<u>3,751,707,950</u>	<u>37,517</u>	<u>3,751,707,950</u>	<u>37,517</u>
Allotted, called up and fully paid	<u>3,751,707,950</u>	<u>37,517</u>	<u>3,751,707,950</u>	<u>37,517</u>

There are no restrictions on the payment of dividends and the repayment of capital.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the re-measurement of investment properties, net of dividends paid and other adjustments.

17. RELATED PARTY TRANSACTIONS

There have been no related party transactions other than transactions with other wholly owned group undertakings of the Life Healthcare Group Holdings Limited.

In accordance with FRS 102, the company has taken advantage of the exemption available not to disclose transactions with other group undertakings.



Alliance Medical Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2021

18. PARENT UNDERTAKINGS

The ultimate parent and controlling party is Life Healthcare Group Holdings Limited. The largest and smallest group, for which group financial statements are drawn up and which include this company is Life Healthcare Group Holdings Limited, registered in South Africa. The financial statements can be obtained by writing to the Group Secretary at Oxford Manor, 21 Chaplin Road, Illovo, Gauteng, South Africa, 2196, its registered address.

19. POST EMPLOYMENT BENEFITS

The Company participates in defined contribution pension schemes, the assets of which are held separately from those of the Company and are invested with an insurance company and external fund managers. The total charged to the profit and loss account during the period was £11,000 (2020: £49,000).