

EUROCLINICS (UK) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009



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EUROCLINICS (UK) LIMITED

COMPANY INFORMATION

Directors	S Brcknell H Lodge P Whitecross
Secretary	S Brcknell (appointed 2 June 2009) G Lewis (resigned 2 June 2009)
Company Number	04499876
Registered office	Beechwood Hall Kingsmead Road High Wycombe Buckinghamshire HP11 1JL
Auditors	KPMG LLP 8 Salisbury Square London EC4Y 8BB
Bankers	Bank of Scotland Corporate Banking 110 Queen Street Glasgow G1 3BY

EUROCLINICS (UK) LIMITED

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EUROCLINICS (UK) LIMITED

DIRECTORS' REPORT FOR THE 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

The directors' present their directors' report and the financial statements for the 9 month period ended 30 September 2009. The comparatives are stated for the year ended 31 December 2008*

Principal activities and review of business

The principle activity of the company is that of health screening. On 2 June 2009 InHealth Limited acquired 100% of the shares in Preventicum UK Limited, the company's parent.

On 9 June 2009 the company shortened its accounting period from 31 December 2009 to 30 September 2009.

Results and Dividends

The results of the company's activities can be found on page 5 of the financial statements.

The directors do not recommend the payment of a dividend (*year ended 31 December 2008* £nil*), and the policy is to reinvest all profits in future development and growth of the business.

Directors

The directors who held office during the period were as follows:

S Brcknell	(appointed 2 June 2009)
P Lewis	(resigned 2 June 2009)
H Lodge	(appointed 2 June 2009)
P Whitecross	(appointed 2 June 2009)
U Wolters	(resigned 2 June 2009)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

During the year KPMG LLP were appointed as auditors. Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



H Lodge
Director

Beechwood Hall
Kingsmead Road
High Wycombe
Buckinghamshire
HP11 1JL
30 June 2010

EUROCLINICS (UK) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

*8 Salisbury Square
London
EC4Y 8BB
United Kingdom*

Independent auditors' report to the members of Euroclinics (UK) Limited

We have audited the financial statements of Euroclinics (UK) Limited for the 9 month period ended 30 September 2009 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2009 and of its loss for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Euroclinics (UK) Limited *(continued)*


Matters on which we are required to report by exception

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

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

Emphasis of Matter – Prior period financial statements

In forming our opinion on the financial statement, which is not qualified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditors to state that the corresponding figures contained within these financial statements are unaudited



M Coughtrey (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Salisbury Square
London
EC4Y 8BB
United Kingdom

30 June 2010

EUROCLINICS (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

	Notes	9 month period ended 30 September 2009	Year ended 31 December 2008*
		£000	£000
Turnover	2	1,167	1,737
Cost of sales		(676)	(996)
Gross profit		491	741
Administrative costs		(815)	(1,327)
Operating loss	3	(324)	(586)
Interest receivable and similar income	6	-	4
Loss on ordinary activities before taxation		(324)	(582)
Tax on loss on ordinary activities	7	-	-
Loss for the financial period	11	(324)	(582)

The company has made no recognised gains or losses in the period other than those stated in the profit and loss account above and accordingly a separate statement of total recognised gains and losses has not been prepared

The results as stated in the above profit and loss account are derived wholly from continuing operations

A note on historical cost gains and losses has not been included as part of these financial statements as the results disclosed in the profit and loss account are prepared on an unmodified historical cost basis

*The comparatives are unaudited

Company No 4499876

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EUROCLINICS (UK) LIMITED

BALANCE SHEET AT 30 SEPTEMBER 2009

	Notes	30 September 2009		31 December 2008*	
		£000	£000	£000	£000
Current assets					
Debtors	8	110		94	
Cash		38		30	
		<u>148</u>		<u>124</u>	
Creditors amounts falling due within one year	9	(3,688)		(3,340)	
Net current liabilities			(3,540)		(3,216)
Net liabilities			<u>(3,540)</u>		<u>(3,216)</u>
Capital and reserves					
Called up share capital	10		559		559
Profit and loss account	11		(4,099)		(3,775)
Shareholders' deficit			<u>(3,540)</u>		<u>(3,216)</u>

These financial statements were approved by the board of directors on
signed on its behalf

30 June

2010 and were



H Lodge
Director

*The comparatives are unaudited

EUROCLINICS (UK) LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT FOR THE 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

	9 month period ended 30 September 2009	Year ended 31 December 2008*
	£000	£000
Loss for the financial period	(324)	(582)
Net addition to shareholders' deficit	(324)	(582)
Opening shareholder's deficit	(3,216)	(2,634)
Closing shareholders' deficit	(3,540)	(3,216)

*The comparatives are unaudited

EUROCLINICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

1. 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

1.1 Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Under Financial Reporting Standard 1 Cash Flow Statements, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

1.2 Related party transactions

As the company is a wholly owned subsidiary of the group headed by InHealth Group Holdings PLC within the UK, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 'Related Party Transactions' and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of InHealth Group Holdings PLC, within which this company is included, can be obtained from the address given in note 12

1.3 Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net current liabilities of £3,540,000 (2008* £3,216,000), which the directors believe to be appropriate for the following reason. The company is reliant for its working capital on funds provided to it by the InHealth Limited, its intermediate parent company. InHealth Limited has provided the company with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.4 Turnover

Turnover comprises the recharged value of services supplied to other group companies (excluding value added tax). Turnover is recognised on provision of the services.

1.5 Operating leases

Rentals payable under operating leases where all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the lease term.

1.6 Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 Deferred Taxation.

2 Turnover

The whole of the turnover is attributable to the principal activity of the company. All turnover arose within the United Kingdom.

*The comparatives are unaudited

EUROCLINICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

3. Notes to the profit and loss account

	9 month period ended 30 September 2009 £000	Year ended 31 December 2008* £000
Loss on ordinary activities before taxation is stated after charging	£000	£000
<i>Auditors' remuneration</i>		
Auditors' remuneration	9	-

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information required instead to be disclosed on a consolidation basis in the consolidated financial statements of InHealth Group Holdings PLC

4 Remuneration of Directors

The directors received no remuneration for their services to the company during the current and previous period

5 Staff numbers and costs

The average number of persons employed by the company (excluding directors) during the year, analysed by category, was as follows

	9 month period ended 30 September 2009	Year ended 31 December 2008*
	Number of employee	
Management	5	5
Medical	6	7
	11	12

Staff costs (including directors) were as follows

	2009 £000	2008* £000
Wages and salaries	412	747
Social security costs	53	93
Other pension costs	24	44
	489	884

6. Interest receivable and similar income

	9 month period ended 30 September 2009 £000	Year ended 31 December 2008* £000
Bank overdrafts	-	4

*The comparatives are unaudited

EUROCLINICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

7 Taxation

<i>Analysis of charge in period</i>	9 month period ended 30 September 2009 £000	Year ended 31 December 2008* £000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Total current tax	-	-
Deferred tax (see below)	-	-
Tax on loss on ordinary activity	-	-

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (*year ended 31 December 2008* lower*) than the standard rate of corporation tax in the U K , 28% (*year ended 31 December 2008* 28 5%*) The differences are explained below

	9 month period ended 30 September 2009 £000	Year ended 31 December 2008* £000
Current tax reconciliation		
Loss on ordinary activities before tax	(324)	(582)
Current tax at 28% (<i>year ended 31 December 2008 28 5%</i>)	(91)	(166)
<i>Effects of</i>		
Capital allowances for the period in excess of depreciation	(1)	-
Group relief surrendered before payment	93	-
Tax losses not utilised	-	173
Other short term timing differences	(1)	(7)
Total current tax charge (see above)	-	-

The elements of unrecognised deferred taxation are as follows

	9 month period ended 30 September 2009 £000	Year ended 31 December 2008* £000
Accelerated capital allowances	32	37
Other timing differences	7	11
Losses	1,023	1,023
	1,062	1,071

Deferred tax assets are only recognised to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted The company did not recognise the above deferred tax assets in the period due to uncertainty as to the timing of the realisation of the amount There are no unprovided deferred tax liabilities

*The comparatives are unaudited

Company No 4620480

EUROCLINICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

8 Debtors due within one year

	30 September 2009 £000	31 December 2008* £000
Trade debtors	86	-
Prepayments and accrued income	21	33
Other debtors	3	61
	<u>110</u>	<u>94</u>

9. Creditors amounts falling due within one year

	30 September 2009 £000	31 December 2008* £000
Trade creditors	76	149
Other creditors	11	1
Amounts owed to group undertakings	3,419	3,037
Taxation and social security	25	37
Accruals and deferred income	157	116
	<u>3,688</u>	<u>3,340</u>

10. Called up share capital

	30 September 2009 £000	31 December 2008* £000
<i>Allotted, called up and fully paid</i>		
560,000 ordinary shares of £1 each	<u>559</u>	<u>559</u>

11 Reserves

	Profit and loss account £000
At beginning of period*	(3,775)
Loss for the period	(324)
	<u>(4,099)</u>
At end of period	

*The comparatives are unaudited

EUROCLINICS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) 9 MONTH PERIOD ENDED 30 SEPTEMBER 2009

12 Ultimate Parent Undertaking and Controlling Party

The ultimate parent undertaking and controlling party is Pegasus Management (Holdings) SCA, ("Pegasus") a societe en commandite par actions, incorporated in Luxembourg

On 2 June 2009 InHealth Limited (a company registered in England and Wales) purchased 100% of the shares in Preventicum UK Limited, Euroclinics (UK) Limited's immediate parent company

The largest group in which the company is consolidated is InHealth Group Holdings PLC The smallest group in which the company is consolidated is InHealth Group Limited Both companies are incorporated in England and Wales The consolidated financial statements of these groups are available to the public and may be obtained from Beechwood Hall, Kingsmead Road, High Wycombe, Buckinghamshire, HP11 1JL