

Euroclinics (UK) Limited

Unaudited Financial Statements
for the Year Ended 30 September 2022



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Company Information

Directors:	R J Bradford S J Scott
Registered Office:	Beechwood Hall Kingsmead Road High Wycombe Buckinghamshire HP11 1JL
Registered Number:	04499876 (England and Wales)
Bankers:	Bank of Scotland 4 th Floor 25 Gresham Street London EC2V 7HN

Directors' Report

The Directors present their report and Financial Statements for the Company for the year ended 30 September 2022.

Principal activity

The principal activity of the Company is that of health assessments under the Preventicum brand. Preventicum, from its London Centre of Preventive Medicine, combines radiation free medical technology with highly experienced doctors and '6-star' service to provide in-depth, full-body check-ups to individual and corporate clients. The check-up not only aims to diagnose existing conditions, it also focuses on evaluating key risk factors and developing a preventative strategy specifically tailored to client lifestyle. The centre piece of the check-up is a unique, radiation free MRI scan of key body parts reviewed by specialist radiologists.

Business review

Revenue for the year was £6.2 million (2021: £4.6 million) generating an operating profit of £0.8 million (2021: £0.1 million).

Directors

The Directors who held office during the year and up to the date of signing the Financial Statements were as follows:

R J Bradford

S J Scott (appointed 7 February 2022)

D M Petrie (resigned 7 February 2022)

Political donations

The Company made no political donations (2021: £nil).

Employees

Our people are central to our success in both delivering existing business and winning new contracts. Investment in our people and in building the right working environment will continue to be a priority. The Company employs 21 highly skilled and trained professionals, as at 30 September 2022, with many years of experience working within the health sector.

The Board remains grateful for the contributions made by all the staff working in the service.

Employee involvement

The Company's policy is to consult with employees on matters likely to affect the employees' interests. Information on matters of concern to employees is given through information bulletins and reports, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

Employment of disabled people

The Company's policy is to consult with employees on matters likely to affect the employees' interests. Information on matters of concern to employees is given through information bulletins and reports, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

Every effort has been made to ensure that line managers fully understand that disabled people must have the same prospects and promotional opportunities that are available to other employees. The Company makes appropriate modification to procedures and equipment where it is practical and safe to do so.

Directors' Report *(continued)*

Small companies' regime

The Company's Directors' Report has been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

Approved by the Board and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'R J Bradford', with several horizontal strokes extending to the right.

R J Bradford
Director
27 June 2023

**Profit and Loss Account and Other Comprehensive Income
for the year ended 30 September 2022**

	Note	2022 £000	2021 £000
Revenue	2	6,180	4,600
Cost of sales		(2,668)	(2,029)
Gross profit		3,512	2,571
Administrative expenses		(2,696)	(2,483)
Operating profit		816	88
Interest receivable and similar income	5	6	-
Interest payable and similar expenses	5	(31)	(35)
Profit before taxation		791	53
Tax on profit	6	(3)	327
Profit and total comprehensive income for the year		788	380

All activities are classified as continuing.

The accompanying notes on pages 7 to 13 form part of these Financial Statements.

Balance Sheet at 30 September 2022

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Current assets					
Debtors	7	2,300		882	
Cash at bank and in hand		54		71	
		<u>2,354</u>		<u>953</u>	
Creditors: amounts falling due within one year	8	<u>(4,744)</u>		<u>(4,131)</u>	
Total assets less current liabilities			<u>(2,390)</u>		<u>(3,178)</u>
Net liabilities			<u>(2,390)</u>		<u>(3,178)</u>
Capital and reserves					
Called up share capital	9		559		559
Other reserves			351		351
Profit and loss account			<u>(3,300)</u>		<u>(4,088)</u>
Total shareholders' deficit			<u>(2,390)</u>		<u>(3,178)</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of Financial Statements.

The Company's Financial Statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

These Financial Statements were approved by the Board of Directors on 27 June 2023 and were signed on its behalf by:



R J Bradford
Director

Company registration number: 04499876

The accompanying notes on pages 7 to 13 form part of these Financial Statements.

Statement of Changes in Equity for the year ended 30 September 2022

	Called up share capital £000	Capital contribution reserve	Profit and loss account £000	Total equity £000
Balance at 1 October 2020	559	351	(4,468)	(3,558)
Profit for the year			380	380
At 30 September 2021 and 1 October 2021	559	351	(4,088)	(3,178)
Profit for the year			788	788
Balance at 30 September 2022	559	351	(3,300)	(2,390)

The accompanying notes on pages 7 to 13 form part of these Financial Statements.

Notes to the Financial Statements **(forming part of the Financial Statements)**

1 Accounting policies

1.1 Basis of preparation of Financial Statements

Euroclinics (UK) Limited is a private company incorporated, domiciled and registered in England, UK. The Company's registered number and address can be found on the Company information page.

The Financial Statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of Financial Statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 1.7).

1.2 FRS 101 – reduced disclosure exemptions

In these Financial Statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- IAS 1 'Presentation of Financial Statements': Exemption from providing comparative movement schedules for share capital, intangible assets, and property, plant and equipment.

- IAS 1 'Presentation of Financial Statements': Exemption from presenting a statement of cash flows, from making an explicit and unreserved statement of compliance with IFRS standards and from the capital management disclosure requirements of the standard.

- IAS 7 'Cash Flow Statement': Complete exemption from preparing a cash flow statement and the related notes.

- IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Exemption from the disclosure of new or revised IFRSs that have not been amended, as well as the disclosure of their likely impact.

- IAS 24 'Related Party Disclosures': Disclosure exemption for related party transactions entered into between two or more members of a group provided that any subsidiary which is a party of the transaction is wholly owned by such a member.

- IAS 24 'Related Party Disclosures': Exemption from disclosure of compensation for key management personnel.

- IFRS 7 'Financial Instruments': Complete exemption of the disclosures mandated by the standard, other than where required to comply with legal requirements.

- IFRS 13 'Fair Value Measurement': Complete exemption of the disclosures mandated by the standard, other than where required to comply with legal requirements.

- IFRS 15 'Revenue from contracts with customers': Partial exemption from the new disclosure requirements set out by the standard.

Taking up these disclosure exemptions is made possible by the inclusion of equivalent disclosures within the consolidated Financial Statements of InHealth UK Holdings Limited, the largest group in which the results of the Company are consolidated.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

1.3 Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Principal activity section of the Directors' Report on page 2.

The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Directors believe that these banking arrangements will continue for the foreseeable future. The Directors have prepared cashflow forecasts for a period of 12 months from the date of approval of these Financial Statements which indicate that the Company will have sufficient funds to meet its liabilities as they fall due for that period.

On the basis of their assessment of the Company's financial position the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. The Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

1.4 Financial instruments

The Company's main financial instruments comprise: cash at bank and in hand; trade and other debtors; and trade and other creditors.

Cash at bank and in hand

Cash at bank and in hand comprises cash balances and call deposits.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.5 Revenue

Revenue, which is measured as the fair value of consideration received for the activity performed, represents the amounts invoiced for the provision of diagnostic services and healthcare solutions (excluding value added tax).

Revenue is recognised on the basis of the 5-step model under IFRS 15, which sets out the rules for revenue from contracts with customers based on the satisfaction of performance obligations. Management has undertaken a detailed assessment of all revenue streams using the 5-step approach specified by IFRS 15:

- Identify the contract(s) with the customer
- Identify the performance obligations in the contract
- Determine the transaction price through contracted agreed price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) a performance obligation is satisfied

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any transaction prices for the time value of money.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

1.5 Revenue (continued)

Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered and when performance obligations are satisfied. The Company typically satisfies its performance obligations as services are rendered on a "per procedure" or "per day" basis, depending upon the terms of the contract. Revenue is recognised when control over the services transfers to the end customer ie. when the end customer has the ability to control the use of the transferred services provided and derive substantially their remaining benefits. Revenue is recognised when a contract with enforceable rights and obligations exists and the receipt of consideration is likely, taking into account the customer's credit quality. Payment terms are typically 30 days with no significant financing component or variable consideration.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceeds the payment, accrued income is recognised. If the payments exceed the services rendered, deferred income is recognised.

1.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account except to the extent that it relates to items recognised directly in equity or Other Comprehensive Income, in which case it is recognised directly in equity or Other Comprehensive Income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.7 Significant accounting estimates and judgements

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect reported amounts of assets, liabilities, revenues and expenses during the year.

Management periodically evaluates its estimates and judgements and bases them on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the carrying values of assets and liabilities that are not readily available from other resources. Actual results may differ from these estimates.

Management concluded that estimates and assumptions have no significant effect on the amounts recognised in the Financial Statements.

Notes to the Financial Statements (continued)

2 Revenue

	2022 £000	2021 £000
Provision of services	6,180	4,600
All revenue is generated wholly within the UK.		

3 Auditor's remuneration

Included in the profit and loss account are the following:

	2022 £000	2021 £000
Auditor's remuneration:		
Audit of these Financial Statements	-	10

The Company does not require an audit for the current financial year.

4 Staff numbers and costs

The average number of persons employed by the Company during the year, analysed by category, was as follows:

	Number of employees	
	2022	2021
Operations	17	15
Administrative	1	-
	18	15

The aggregate payroll costs of these persons were as follows:

	2022 £000	2021 £000
Wages and salaries	851	787
Social security costs	91	86
Contributions to defined contribution plans	47	33
	989	906

All Directors' remuneration was borne by InHealth Limited during the year. The notional cost of Directors to the Company was £4,000 (2021: £4,000) during the year. None of the Directors received any remuneration from the Company during the current or prior year.

Notes to the Financial Statements (continued)

5 Finance income and expenses

	2022 £000	2021 £000
<i>Interest receivable and similar income</i>		
Interest income	6	-
	<hr/>	<hr/>
<i>Interest payable and similar expenses</i>		
Bank interest payable	31	35
	<hr/>	<hr/>

6 Taxation

Recognised in the profit and loss account

	2022 £000	2021 £000
<i>UK corporation tax</i>		
Group relief	3	-
Adjustments for previous years	-	(327)
	<hr/>	<hr/>
Current tax expense/(credit)	3	(327)

Reconciliation of effective tax rate

	2022 £000	2021 £000
Profit for the year	791	53
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 19% (2021: 19%)	150	10
Adjustments in respect of previous years	-	(327)
Deferred tax not recognised	(96)	(10)
Remeasurement of deferred tax for changes in tax rates	(51)	-
	<hr/>	<hr/>
Total tax expense/(credit)	3	(327)
	<hr/>	<hr/>

Factors that may affect future tax charges

A change in the UK corporation tax rate, announced in the Spring Budget on 3 March 2021, was substantively enacted on 24 May 2021. The rate applicable from 1 April 2021 remained at 19%, with the future corporation tax rate increasing to 25% from 1 April 2023.

Notes to the Financial Statements (continued)

7 Debtors

	2022 £000	2021 £000
Amounts falling due within one year		
Trade debtors	260	612
Amounts owed by group undertakings	404	251
Prepayments and accrued income	111	19
	775	882
Amounts falling due after more than one year		
Amounts owed by group undertakings	1,525	-
	2,300	882

Amounts owed by group undertakings are interest free, repayable in accordance with credit terms and there is no security.

The amounts owed by group undertakings due after more than one year are repayable 2 years from the balance sheet date. The face value of the loans is £1,525,000 (2021: £nil) at an interest rate of 3% (2021: n/a). These loans are held at fair value of £1,525,000 (2021: £nil).

8 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	670	414
Amounts owed to group undertakings	3,483	3,379
Accruals and deferred income	591	338
	4,744	4,131

Amounts owed to group undertakings are interest free, repayable on demand and there is no security.

9 Called up share capital

	2022 £000	2021 £000
Alotted, called up and fully paid		
558,613 (2021: 558,613) Ordinary shares of £1 each	559	559

Notes to the Financial Statements (continued)

10 Ultimate parent undertaking and parent company of larger group

The ultimate parent undertaking and controlling party is The Damask Trust, the Trustees of which are I H Bradbury and The Embleton Trust Corporation Limited.

The largest Group in which the results of the Company are consolidated is that headed by InHealth UK Holdings Limited, which is incorporated in England and Wales. The smallest Group in which the results of the Company are consolidated is that headed by InHealth Group Limited, which is 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.