

Company Registration No. 04830307 (England and Wales)

Burgess Diagnostics Limited

**Unaudited financial statements
for the year ended 30 November 2019**

Pages for filing with the Registrar

Burgess Diagnostics Limited

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Burgess Diagnostics Limited

**Statement of financial position
As at 30 November 2019**

| | | 2019 | | 2018 | |
|--|-------|------------------|-----------------------|------------------|-------------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 3 | | 10,976 | | - |
| Tangible assets | 4 | | 873,743 | | 972,395 |
| | | | <u>884,719</u> | | <u>972,395</u> |
| Current assets | | | | | |
| Stocks | | 7,583 | | 9,409 | |
| Debtors | 5 | 955,950 | | 594,098 | |
| Cash at bank and in hand | | 171,518 | | 592,833 | |
| | | <u>1,135,051</u> | | <u>1,196,340</u> | |
| Creditors: amounts falling due within one year | 6 | (812,750) | | (717,698) | |
| Net current assets | | | <u>322,301</u> | | <u>478,642</u> |
| Total assets less current liabilities | | | <u>1,207,020</u> | | <u>1,451,037</u> |
| Creditors: amounts falling due after more than one year | 7 | | (228,421) | | (364,696) |
| Provisions for liabilities | | | <u>(75,185)</u> | | <u>(84,628)</u> |
| Net assets | | | <u><u>903,414</u></u> | | <u><u>1,001,713</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | 50,000 | | 50,000 | |
| Other reserves | | 37,156 | | 37,156 | |
| Profit and loss reserves | | 816,258 | | 914,557 | |
| Total equity | | | <u><u>903,414</u></u> | | <u><u>1,001,713</u></u> |

Burgess Diagnostics Limited

Statement of financial position (continued)

As at 30 November 2019

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 November 2019 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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 20 November 2020 and are signed on its behalf by:

Paul Betts

Director

Company Registration No. 04830307

Burgess Diagnostics Limited

Notes to the financial statements

For the year ended 30 November 2019

1 Accounting policies

Company information

Burgess Diagnostics Limited is a private company limited by shares incorporated in England and Wales. The registered office is Oak House, 317 Golden Hill Lane, Leyland, Lancashire, PR25 2YJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements are prepared on a going concern basis. However these financial statements are being prepared in the middle of the Coronavirus pandemic which will have an impact on the company and its ability to continue as a going concern. The directors have prepared forecasts and are confident that due to the measures put in place, the company will be able to continue in business for the foreseeable future.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the provision of services is recognised in the period that the equipment rental service is provided.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------|--------------------|
| Website | 12.5% straightline |
|---------|--------------------|

Burgess Diagnostics Limited

Notes to the financial statements (continued)

For the year ended 30 November 2019

1 Accounting policies (continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|---|
| Plant and machinery | 25% Reducing balance |
| Fixtures and fittings | 20% Reducing balance/ 2.5-3 years straight line |
| Motor vehicles | 30% Reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies (continued)

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using a directors valuation model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2018 - 22).

Burgess Diagnostics Limited**Notes to the financial statements (continued)****For the year ended 30 November 2019****3 Intangible fixed assets**

| | Website £ |
|------------------------------------|----------------------|
| Cost | |
| Additions | 11,579 |
| At 30 November 2019 | 11,579 |
| Amortisation and impairment | |
| Amortisation charged for the year | 603 |
| At 30 November 2019 | 603 |
| Carrying amount | |
| At 30 November 2019 | 10,976 |
| At 30 November 2018 | - |

4 Tangible fixed assets

| | Plant and machinery etc £ |
|------------------------------------|--|
| Cost | |
| At 1 December 2018 | 2,449,472 |
| Additions | 140,400 |
| Disposals | (32,869) |
| At 30 November 2019 | 2,557,003 |
| Depreciation and impairment | |
| At 1 December 2018 | 1,477,077 |
| Depreciation charged in the year | 227,784 |
| Eliminated in respect of disposals | (21,601) |
| At 30 November 2019 | 1,683,260 |
| Carrying amount | |
| At 30 November 2019 | 873,743 |
| At 30 November 2018 | 972,395 |

Burgess Diagnostics Limited**Notes to the financial statements (continued)****For the year ended 30 November 2019****5 Debtors**

| | 2019 | 2018 |
|---|----------------|----------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 322,454 | 386,305 |
| Corporation tax recoverable | 43,299 | - |
| Amounts owed by group undertakings | 573,607 | 182,507 |
| Other debtors | 16,590 | 25,286 |
| | <u>955,950</u> | <u>594,098</u> |

6 Creditors: amounts falling due within one year

| | 2019 | 2018 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 256,523 | 134,376 |
| Amounts owed to group undertakings | 79,976 | 79,976 |
| Corporation tax | - | 69,094 |
| Other taxation and social security | 112,753 | 104,690 |
| Other creditors | 363,498 | 329,562 |
| | <u>812,750</u> | <u>717,698</u> |

7 Creditors: amounts falling due after more than one year

| | 2019 | 2018 |
|-----------------|-------------|-------------|
| | £ | £ |
| Other creditors | 228,421 | 364,696 |

Hire purchase and asset finance of £463,866 (2018: £364,696), included within other creditors, are secured over the assets to which they relate.

Burgess Diagnostics Limited**Notes to the financial statements (continued)****For the year ended 30 November 2019****8 Called up share capital**

| | 2019 | 2018 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Ordinary share capital | | |
| Issued and fully paid | | |
| 25,001 A ordinary shares of £1 each | 25,001 | 25,001 |
| 24,999 B ordinary shares of £1 each | 24,999 | 24,999 |
| | <u>50,000</u> | <u>50,000</u> |

9 Financial commitments, guarantees and contingent liabilities

The company is party to a cross-company guarantee with its immediate parent companies VET MRI Limited, TMVH Limited and Diagnostics 2016 Limited in respect of bank and non-bank borrowings existing in these group companies totalling £4,542,770 (2018: £4,720,100). As at the year end, the directors consider the probability of default remote and accordingly, no liability is recognised on the balance sheet.

10 Operating lease commitments**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| 2019 | 2018 |
|---------------|----------------|
| £ | £ |
| 30,414 | 189,706 |
| <u>30,414</u> | <u>189,706</u> |

11 Related party transactions**Amounts owed to/by related parties**

The following amounts were outstanding at the reporting end date:

| | Amount owed to | | Amounts owed by | |
|--------------------------|-----------------------|--------|------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| | £ | £ | £ | £ |
| Diagnostics 2016 Limited | - | - | 573,607 | 182,507 |
| TMVH Limited | 79,976 | 79,976 | - | - |

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.