

Registered number: 05057581

AT MEDICS LIMITED

UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

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AT MEDICS LIMITED

COMPANY INFORMATION

Directors	E Perry (appointed 29 March 2021) E McKenzie-Boyle (appointed 10 February 2021) N Harding (appointed 10 February 2021)
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Registered number	5057581
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Registered office	108 High Street Great Missenden, England HP16 0BG
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AT MEDICS LIMITED

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AT MEDICS LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

Introduction

The directors present the strategic report for AT Medics Limited (the "Company") for the period ended 31 December 2021.

Principal activities

The principal activities of the Company comprise the provision of a range of primary healthcare services to NHS clinical commissioning groups and other NHS commissioning bodies.

Business review

Review of the period ended 31 December 2021

The Company provides a range of primary care services that have been established to provide solutions to current challenges for our NHS commissioners and to deliver patient care, increase patient access and improve service quality. The Company's strategy is centred on continued innovation and service development in partnership with NHS commissioners.

During the period to 31 December 2021, the directors have continued to be focused on further developing a profitable and sustainable business model as a strategic partner to the NHS that delivers first class care for the patient.

The profit for the period was £7,452k, (2021: £8,603k).

Position at 31 December 2021 and future developments

In January 2022, the Group continued its commitment to the well-being of its hard-working staff by announcing the Operose Health Living Wage, which means all staff will earn at least 10 pence above the national or London Living Wage, as well as increasing staff annual leave entitlement to a minimum of 27 days per full-time staff member (on a pro-rata basis for part-time staff). This commitment underlines the importance that Operose Health Limited places on the health and well-being of all of its staff, as well as recognizing the extraordinary hard work that our employees have contributed throughout 2021, and the ongoing pressures that we face in primary care. Operose Health Limited is now an accredited Living Wage Employer.

February 2022 also saw the Company, in partnership, awarded a contract to provide an integrated urgent care service in Croydon. We believe this reflects our commitment to supporting integrated care across regions, and utilising our Primary care expertise and experience in urgent care to support patients and the wider NHS system at scale.

In March 2022, all staff were awarded a Covid Star to publicly thank them for their hard work and dedication during the pandemic, the only primary care organisation to do so in the country.

AT MEDICS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

Key performance indicators

	Period ended 31 December 2021 £000	Year ended 31 March 2021 £000
Revenue	46,344	57,362
EBITDA	7,751	12,683
Profit (loss) before tax	7,640	10,850

Principal risks and uncertainties

The directors have overall responsibility for the Company's approach to assessing and managing risk, with the Company's management teams being responsible for the implementation of policies on risk control and compliance with such policies. The group corporate back office offers compliance support, such as compliance, governance, financial review, clinical governance, human resources services and health and safety, which work to manage, reduce and, where possible, eliminate risk and uncertainties. The following key risks and uncertainties are key considerations in the Company's risk management activities:

Price risk

The Company is exposed to price risk due to normal inflationary increases in costs related to the running of its business. However, these costs have been relatively stable. Revenue for services is at contracted rates for the duration of contract periods for most of the Company's contracts. Contract rates are typically either fixed, subject to inflationary uplifts or adjusted by reference to NHS tariffs. The Company has no exposure to equity securities price risk, as it holds no listed or other equity investments.

Credit risk

The Company's customer base is predominantly NHS entities and secure institutions which are ultimately funded by central government and thus any credit exposure is minimal.

Liquidity risk

The Company monitors its liquidity position on a regular basis and leverages resources within the group and from parent company support, if required.

Political and Regulatory risk

Current and potential new NHS legislation is monitored by the Board and executive management to ensure the Company's product offerings are relevant to the UK healthcare market.

AT MEDICS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

Principal risks and uncertainties (continued)

Brexit

Management continue to monitor the political and economic impact of Brexit, and carry out appropriate scenario planning to make assessments of the likely future impact to our business as the UK transition out of the EU progresses. As the company's income is predominantly derived wholly within the UK from public sector organisations, and the company does not conduct significant volumes of trade with EU member states, the direct impact of Brexit on the company's ability to generate revenues is considered low.

The primary risks identified by management related to Brexit are therefore regulatory changes, recruitment of labour, and supply chain management.

Management continues to closely monitor the risks associated with each of these areas, and to develop and implement controls and planning to mitigate the risks identified. There has been no significant impact to date.

COVID-19

The impact to the Company of coronavirus continues to be closely monitored by management, with a range of preparedness and impact mitigation measures having been implemented to ensure that the impact on the company's ability to generate revenues and manage costs is minimised, whilst prioritising the safety and well-being of our employees and patients.

NHS central guidance has been adhered to throughout the pandemic, with income protection assurances received from NHS England that have acted to minimise the impact on revenues. Management has conducted a comprehensive impact assessment across the business, which continues to be revised and adapted as needed to cope with the evolving clinical environment. Management has also implemented resilience and risk management plans, and policy and incident management measures, to ensure the company continues to be well placed to react quickly and efficiently to changes in the clinical landscape, as well as to mitigate any risks of staff absenteeism and to customer safety and well-being.

As a result, management believe the appropriate measures have been delivered to ensure that the company is well placed to cope with the challenges that lie ahead, and to continue to operate a profitable and sustainable business model as a strategic partner to the NHS that delivers first class care for the patient.

**STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Section 172(1) Statement

The revised UK Corporate Governance Code ('2018 Code') was published in July 2018 and applies to accounting periods beginning on or after January 1, 2019. The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company. The Board welcomes the direction of the UK Financial Reporting Council (the 'FRC'). This S172 statement explains how the directors of the Company:

- engaged with employees, suppliers, customers and others; and
- regarded employee interests, the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regards, including on the principal decisions taken by the Company during the financial year.

The S172 statement focuses on matters of strategic importance to the company, and the level of information disclosed is consistent with the size and the complexity of the business.

General confirmation of directors' duties

The directors have a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. Certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval. The Delegation of Authority framework sets out the delegation and approval process across the broader business.

When making decisions, each director ensures that he/she acts in the way he/she considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

S172(1) (A) The likely consequences of any decision in the long term

The directors understand the business and the evolving environment in which we operate. In 2021, to help achieve our strategic ambitions, the Board continued to develop a strategy to deliver improved patient choice and service quality.

The directors recognise how our operations are viewed by our stakeholders, and the ever-increasing challenge of making decisions that align with all stakeholder interests. Given the complexity of the current healthcare environment, the directors have taken the decisions they believe best support the Company's strategic ambitions.

S172(1) (B) The interests of the Company's employees

The directors recognise that the Company's employees are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

In January 2022, the Group continued its commitment to the well-being of its hard-working staff by announcing the Operose Health Living Wage, underlining the importance that the Company places on the health and well-being of all of its staff. In addition, in March 2022, all staff were awarded a Covid Star to publicly thank them for their hard work and dedication during the pandemic, the only primary care organisation to do so in the country.

AT MEDICS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

Section 172(1) Statement (continued)

S172(1) (C) The need to foster the Company's business relationships with suppliers, customers and others

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers and governments. The Company seeks the promotion and application of certain general principles in such relationships. The ability to promote these principles effectively is an important factor in the decision to enter into or remain in such relationships. The Company continuously assesses the priorities related to customers and those with whom we do business, and the directors engage with the senior management team on these topics, for example, within the context of business strategy updates and investment proposals.

S172(1) (D) The impact of the Company's operations on the community and the environment

The directors review information on these topics to inform specific Board decisions related to specific strategic initiatives, including investment or divestment proposals and business strategy reviews, and to provide regular updates to the Company's senior management team.

S172(1) (E) The desirability of the Company maintaining a reputation for high standards of business conduct

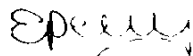
The senior management team regularly reviews and approves clear frameworks, business principles, code of conduct, ethics & compliance manuals, and modern slavery statements, and all other group-wide policies, to ensure that the highest standards are maintained both within the Company and the relationships with our stakeholders. This, complemented by the ways the directors are informed and monitor compliance with relevant governance standards, help assure that the Company acts in ways that promote high standards of business conduct. The Company awarded all staff a Covid Star as appreciation of their hard work and dedication during the pandemic. Our commitment to high standards is reflected in the scores we have received from the Care Quality Commission, who rated 97% of our practices as Good or Outstanding.

S172(1) (F) The need to act fairly as between members of the Company

After weighing up all relevant factors, the directors consider which course of action best enables delivery of the long-term strategy, taking into consideration the impact on stakeholders and ensuring fairness between members as far as can reasonably be achieved.

The Company is a low energy user under the SECR guidance and therefore environmental disclosures have not been presented.

This report was approved by the board and signed on its behalf.



E Perry
Director

14th December 2022

AT MEDICS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the period ended 31 December 2021.

Results and dividends

The profit for the period, after taxation, amounted to £7,452k (2021: £8,603k).

The directors do not recommend the payment of a dividend in respect of the period (2021: nil).

Directors

The who served during the period were:

E Perry (appointed 29 March 2021)

E McKenzie-Boyle (appointed 10 February 2021)

N Harding (appointed 10 February 2021)

Employee engagement

The Company's human resources team and human resources systems and processes include provision for the gathering of employee feedback on matters of interest and concern to the Company's employees. Local site locations are overseen by business managers who provide a communications link to and from the senior management team. There are a range of internal communications tools, including e-mail notices, newsletters, staff surveys and briefings in order to keep employees informed of the progress of the business and the market environment.

Employment of disabled persons

The Company is committed to promoting equality of opportunity for all staff and job applicants. The Company has established an environment in which all individuals are able to make best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit. The Company considers the employment needs of disabled people and complies with current legislation with regard to their employment. Where possible, the Company will continue to employ and promote the careers of existing employees who become disabled and will consider disabled persons for employment, subsequent training, career development and promotion on the basis of their aptitudes and abilities.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions for the benefit of the directors and officers was in force during the financial period.

Creditor policy

The Company seeks to follow best practice guidelines laid down by the Department of Business, Innovation and Skills to pay suppliers in line with their agreed payment terms subject to suppliers meeting their contractual obligations. The Company continually reviews its supply chain with a view to maximising the strength of relationships with its preferred suppliers and obtain best prices.

This report was approved by the board and signed on its behalf.



E Perry
Director

AT MEDICS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Strategic Report, 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), 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 their 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 judgements 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

AT MEDICS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2021**

		Nine month period ended 31 December 2021	Year ended 31 March 2021
	Note	£000	£000
Turnover	4	46,344	57,362
Cost of sales		<u>(36,680)</u>	<u>(36,863)</u>
Gross profit		9,664	20,499
Administrative expenses		<u>(2,023)</u>	<u>(7,948)</u>
Operating profit	5	7,641	12,551
Amounts written off investment	8	—	(1,689)
Interest payable and similar expenses	7	<u>(1)</u>	<u>(12)</u>
Profit before tax		7,640	10,850
Tax on profit	9	<u>(188)</u>	<u>(2,247)</u>
Profit for the financial period		7,452	8,603
Other comprehensive income for the period		<u>—</u>	<u>—</u>
Total comprehensive income for the period		<u>7,452</u>	<u>8,603</u>

The notes on pages 11 to 24 form part of these financial statements.

AT MEDICS LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2021**


	Note	As at 31 December 2021 £000	As at 31 March 2021 £000
Fixed assets			
Tangible assets	10	602	622
		<u>602</u>	<u>622</u>
Current assets			
Stocks	11	242	242
Debtors: amounts falling due within one year	12	8,640	12,665
Debtors: amounts falling due after more than one year	12	13,991	—
Cash at bank and in hand	13	3,484	4,175
		<u>26,357</u>	<u>17,082</u>
Creditors: amounts falling due within one year	14	(3,714)	(7,321)
Net current liabilities		<u>22,643</u>	<u>9,761</u>
Total assets less current liabilities		<u>23,245</u>	<u>10,383</u>
Creditors amounts falling due after more than one year	15	(5,265)	(29)
Other provisions	16	(174)	—
Net liabilities		<u><u>17,806</u></u>	<u><u>10,354</u></u>
Capital and reserves			
Called up share capital	17	—	—
Share premium account	18	30	30
Profit and loss account	18	17,776	10,324
		<u><u>17,806</u></u>	<u><u>10,354</u></u>

The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

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

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 financial statements were approved and authorised for issue by the board and were signed on its behalf by:



E Perry

Director

14th December 2022

The notes on pages 11 to 24 form part of these financial statements.

AT MEDICS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Called up share capital £000	Share premium Account £000	Capital Redempt ion reserve £000	Profit and loss account £000	Total equity £000
At 1 April 2020	—	30	—	7,080	7,110
Comprehensive income (loss) for the year					
Profit for the year	—	—	—	8,603	8,603
At 31 March 2021	—	30	—	10,324	10,354
Comprehensive income (loss) for the period					
Profit for the period	—	—	—	7,452	7,452
At 31 December 2021	<u>—</u>	<u>30</u>	<u>—</u>	<u>17,776</u>	<u>17,806</u>

The notes on pages 11 to 24 form part of these financial statements.

AT MEDICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

1. General information

AT Medics Limited is a private company, limited by share capital, incorporated in the United Kingdom and registered in England and Wales under company number: 5057581. The registered office is 108 High Street, Great Missenden, England, HP16 0BG.

The financial information set out in these financial statements comprises the Company's statutory accounts for the period ended 31 December 2021 and the year ended 31 March 2021.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Company's functional and presentational currency is GBP.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Operose Health Limited as at 31 December 2021 and these financial statements may be obtained from 108 High Street, Great Missenden, England, HP16 0BG.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Going concern

The directors have considered the financial position of the Company. During this period the ultimate controlling party has provided confirmation of ongoing support to the Company. Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and as such, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

As disclosed within the audited accounts of the parent company, Operose Health Limited, these financial statements have been prepared on a going concern basis, which the directors consider to be appropriate for the following reasons:

- The Company has sufficient funds, through funding from its parent, to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of the financial statements; and
- The parent has indicated its intention not to seek repayment of any amounts owed by the Company at the balance sheet date, for a period of at least 12 months from the date of approval of the financial statements.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method or the reducing balance method as follows:

Fixtures, fittings and equipment	20% Straight line / 25% reducing balance
Motor vehicles	5 years straight line
Leasehold improvements	20% straight line
Medical equipment	10% straight line

AT MEDICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

2.7 Operating leases: the Company as a lessee

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

2.8 Financial instruments

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

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.9 Pensions

Defined contribution pension plan

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Pensions (continued)

The contributions are recognized as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Interest receivable and interest payable

Interest payable and similar expenses include interest payable and finance expenses associated with an on demand loan to a group undertaking recognized in profit and loss using the effective interest method. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

AT MEDICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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

In the application of the Company's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. Turnover

The total turnover of the Company for the period has been derived from its principal activity. The Company generates its revenue from general practice surgeries operated under contracts with the NHS.

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	Nine month period ended 31 December 2021 £000	Year ended 31 March 2021 £000
Depreciation of tangible fixed assets	110	132
Losses on disposal of tangible and intangible fixed assets	—	122
Other operating lease rentals	3,329	3,303
Defined contribution pension cost	1,613	1,848

AT MEDICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

6. Employees

Staff costs were as follows:

	Nine month period ended 31 December 2021 £000	<i>Year ended 31 March 2021 £000</i>
Wages and salaries	19,343	22,755
Social security costs	1,907	2,264
Pension costs	1,613	1,847
Other employee benefits	—	—
	<u>22,863</u>	<u>26,866</u>

The average monthly number of employees during the period was made up as follows:

	Nine month period ended 31 December 2021 No.	<i>Year ended 31 March 2021 No.</i>
Administrative	524	528
Clinical	322	325
	<u>846</u>	<u>853</u>

7. Interest payable and similar expense

	Nine month period ended 31 December 2021 £000	<i>Year ended 31 March 2021 £000</i>
Interest payable and similar charges	1	12
	<u>1</u>	<u>12</u>

AT MEDICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

8. Amounts written off investments

	Nine month period ended 31 December 2021 £000	Year ended 31 March 2021 £000
Amounts written off current asset investments	—	1,689
	<u>—</u>	<u>1,689</u>

9. Taxation

	Nine month period ended 31 December 2021 £000	Year ended 31 March 2021 £000
Current tax		
Current tax on profit for the period	188	2,409
Adjustments in respect of previous periods	—	—
Total current tax	<u>188</u>	<u>2,409</u>
Deferred tax		
Origination and reversal of timing differences	—	(162)
Adjustments in respect of prior periods	—	—
Total deferred tax	<u>—</u>	<u>(162)</u>
Total tax charge (credit)	<u>188</u>	<u>2,247</u>

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

AT MEDICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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9. Taxation (continued)

	Nine month period ended 31 December 2021 £000	<i>Year ended 31 March 2021 £000</i>
Profit on ordinary activities before tax	<u>7,640</u>	<u>10,850</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	1,452	2,062
Effects of:		
Expenses not deductible for tax purposes	5	321
Group relief claimed	(1,272)	—
Remeasurement of deferred tax for changes in tax rates	8	(162)
Deferred tax not recognised	—	—
Fixed asset differences	<u>(5)</u>	<u>26</u>
Total tax charge (credit) for the period	<u>188</u>	<u>2,247</u>

Factors that may affect future tax charges

At 31 December 2021, the Company had trading losses of £0k (2021: £0k) to be used against future trading profits. The Company utilised trading losses of £1,272k from Operose Health Limited via group relief during the period ended 31 December 2021.

AT MEDICS LIMITED

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10. Tangible fixed assets

	Leasehold improvements £000	Motor vehicles £000	Equipment £000	Fixtures and fittings £000	Total £000
Cost					
At 1 April 2021	458	42	25	602	1,127
Additions	—	—	12	78	90
At 31 December 2021	458	42	37	680	1,217
Depreciation					
At 1 April 2021	143	4	9	349	505
Depreciation for the period	31	6	5	68	110
At 31 December 2021	174	10	14	417	615
Net book value					
At 31 December 2021	284	32	23	263	602
At 31 March 2021	315	38	16	253	622

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles £000
At 31 December 2021	32
At 31 March 2021	38

AT MEDICS LIMITED

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11. Stocks

	As at 31 December 2021 £000	<i>As at 31 March 2021 £000</i>
Raw materials	242	242
	242	242

12. Debtors

	As at 31 December 2021 £000	<i>As at 31 March 2021 £000</i>
Due after more than one year		
Amounts owed from group undertakings	13,991	—
	13,991	—
Due within one year		
Trade debtors	6,068	6,775
Amounts owed from group undertakings	57	4,990
Other debtors	—	712
Accrued income	2,438	188
Tax recoverable	77	—
	8,640	12,665

13. Cash and cash equivalents

	As at 31 December 2021 £000	<i>As at 31 March 2021 £000</i>
Cash at bank and in hand	3,484	4,175
	3,484	4,175

AT MEDICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

14. Creditors: Amounts falling due within one year

	As at 31 December 2021 £000	<i>As at 31 March 2021 £000</i>
Trade creditors	671	1,722
Amounts owed to group undertakings	27	1,866
Other taxation and social security	679	653
Obligations under finance lease	2	5
Other creditors	1,437	1,036
Accruals and deferred income	570	518
Corporation tax	200	1,417
Deferred taxation	128	103
	<u>3,714</u>	<u><i>7,321</i></u>

15. Creditors: Amounts falling due after more than one year

	As at 31 December 2021 £000	<i>As at 31 March 2021 £000</i>
Amounts owed to group undertakings	5,236	—
Obligations under finance leases	29	29
	<u>5,265</u>	<u><i>29</i></u>

16. Provisions

	Dilapidations provision £000	Legal provision £000	Total £000
At 1 April 2021	—	—	—
Increase in period	55	119	174
At 31 December 2021	<u>55</u>	<u>119</u>	<u>174</u>

The dilapidations provision represents the Company's best estimate of its obligations under operating leases to make good any dilapidations on its leased properties. The provision is made only where the Company has an explicit obligation for dilapidations in the underlying lease agreements and has received formal confirmation of intent to exit the underlying properties.

AT MEDICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

16. Provisions (continued)

The legal provision represents the Company's best estimate of the expected cost of settling liabilities, which it expects to arise in the settlement of on-going legal disputes. The timing for realising this provision is not known given the uncertainty of the outcomes and timing of these legal claims, but is expected to be in the next 2 years.

17. Share capital

	As at 31 December 2021	<i>As at 31 March 2021</i>
	£	£
Allotted, called up and fully paid		
21000 Ordinary shares of £0.01 each	210	210
	210	210

18. Reserves

Profit and loss account

This reserve records the cumulative retained earnings of the Company, less amounts distributed to shareholders.

19. Pension commitments

	Nine month period ended 31 December 2021	<i>Year ended 31 March 2021</i>
	£000	£000
Defined contribution pension scheme contributions paid during the period	1,613	1,847

AT MEDICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

20. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	As at 31 December 2021 £000	<i>As at 31 March 2021 £000</i>
Amounts due within 1 year	2	5
Amounts due within 1-5 years	29	29
Amounts due later than 5 years	—	—
	<u>31</u>	<u>34</u>

21. Related party transactions

The Company has taken advantage of the exemption in FRS 102 Section 33 to not disclose transactions with wholly owned group entities.

Transactions with non wholly owned group members were as follows:

Period ended 31 December 2021

	Sales £000	Purchases £000	Cash Transfers £000	Debtors £000	Creditors £000
Primary Care Partners Limited	25	172	(3,019)	—	(4,673)
Operose Health Limited	56	28	(6,500)	12,491	(28)
AT Medics Holdings LLP	—	—	—	57	—
AT Learning Limited	—	166	—	—	(182)
AT Technology Services Limited	—	—	194	—	(380)
Operose Health Corporate Management Limited	—	—	(1,500)	1,500	—
	<u>81</u>	<u>366</u>	<u>(10,825)</u>	<u>14,048</u>	<u>(5,263)</u>

AT MEDICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

21. Related party transactions (continued)**Year ended 31 March 2021**

	Sales	Purchases	Cash Transfers	Debtors	Creditors
	£000	£000	£000	£000	£000
Primary Care Partners Limited	37	289	(2,177)	—	(1,851)
Operose Health Limited	—	—	(3,980)	3,980	—
AT Medics Holdings LLP	—	2	(49)	57	—
AT Learning Limited	—	58	(88)	—	(15)
AT Technology Services Limited	—	—	455	953	—
Operose Health Corporate Management Limited	—	—	—	—	—
	37	349	(5,839)	4,990	(1,866)

22. Controlling party

The Company's immediate parent is AT Medics Holdings LLP, a limited liability partnership registered in England and Wales. The Company is controlled by Operose Health Limited and MH Services International (UK) Limited by virtue of their holdings in AT Medics Holdings LLP.

The ultimate controlling party and the parent of the largest group which includes the Company and for which group accounts are prepared is Centene Corporation, a company incorporated in the United States of America. Copies of the Group accounts can be obtained from its registered office at Centene Plaza, 7700 Forsyth Blvd., St. Louis, MO 63105, USA.

The consolidated accounts of Operose Health Limited, which is the smallest group which includes the Company and for which group accounts are prepared can be obtained from its registered office: 108 High Street, Great Missenden, England, HP16 0BG.