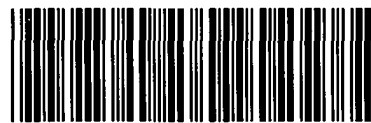


Company Registration No. 05379264 (England and Wales)

PROMETHEUS MEDICAL LTD
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
2 JULY 2022

FRIDAY



AC6T4LTC

A27

30/06/2023

#191

COMPANIES HOUSE

PROMETHEUS MEDICAL LTD

COMPANY INFORMATION

Directors	K Gallagher A R Johnson C Sweeney
Company number	05379264
Registered office	The Old Rectory Hope-Under-Dinmore Hereford Herefordshire HR6 0PW
Auditor	RSM UK Audit LLP Chartered Accountants 103 Colmore Row Birmingham B3 3AG

PROMETHEUS MEDICAL LTD

STRATEGIC REPORT

FOR THE PERIOD ENDED 2 JULY 2022

The directors present the Strategic Report for the period ended 2 July 2022.

Fair review of the business

Prometheus Medical Ltd. ("PML" or "the Company") provides medical training courses and consulting for emergency situations. The Company was initially incorporated in March 2005 and was acquired by Safeguard Medical Holdco LLC, a United States entity, in January 2020. The Company services customers throughout Europe, the United Kingdom, and other international markets.

PML is headquartered in the United Kingdom, has subsidiaries in UAE, Scotland, Switzerland, and Qatar. These results do not include the results of these subsidiaries which are consolidated in the financial statements of the immediate parent company Safeguard Medical Holdco Ltd. On 15 September 2021, as part of a group reorganisation, the company disposed of a number of its subsidiaries (see note 13 for details), resulting in a £2.7 million decrease in the cost of investment along with an equivalent distribution through retained earnings (see note 10).

The effects of the COVID-19 pandemic has continued to cause disruptions to the global economic landscape. PML training and consultancy opportunities were reduced as a result of the pandemic restrictions on in-person events. The decline in revenue and profitability from historical results are directly attributed to the temporary impacts of the global pandemic. PML expects to fully recover and return to growth as infection rates decline and vaccination rates increase. In addition to the financial impacts of the pandemic, the Company has made investments during the period to increase revenue growth opportunities and increase efficiencies as part of the consolidated group of Safeguard companies. This resulted in an increase in administrative expenses as a percent of sales versus the prior period.

Financial risk management policies and objectives

Liquidity and cash flow risk

The company seeks to manage risk by ensuring sufficient liquidity is available to meet foreseeable needs. The policy throughout the period has been to achieve this objective through the day to day involvement of management in business decisions. The company ensures that at all times they are able to meet its liabilities as they fall due as it maintains capital resources equal to or in excess of their relevant capital resources requirement, including a £1 million credit line with a financial institution and parent company borrowings, which will not be called for repayment in the next 12 months.

Credit risk

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. Credit control procedures take into account the identified risks relating to its customers.

Prometheus Medical Ltd requires appropriate credit checks on customers before and after sales are made. The amount of exposure to any individual customer is reassessed periodically. There is no significant concentration of credit risk, as exposure is spread over a large number of customers.

Price risk

The company is exposed to margin pressures, and is exposed to a modest level of foreign exchange risk.

PROMETHEUS MEDICAL LTD

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

Principal risks and uncertainties

Retention of key personnel

Prometheus Medical Ltd is exposed to the risk of losing key personnel. This risk is mitigated by understanding market requirements and utilising methods to develop and retain key members of staff.

Regulatory compliance

Management have put measures in place to train staff and remain up to date with all regulatory compliance matters.

Cyber risk

Management have put in systems to identify and monitor potential threats and conduct regular training to ensure staff remain up to date with cyber risks.

Key performance indicators

The key performance indicators of the business are revenues and operating profits.

	Period ended 2 July 2022	Period ended 30 June 2021
Turnover (£'000)	1,684	4,140
Operating (loss) (£'000)	(2,228)	(572)

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding loss of £1,807,668 (2021: £579,938), which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Safeguard Medical Holdco LLC, the company's parent undertaking. Safeguard Medical Holdco LLC has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will 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.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations, the company utilises funds from a cash pooling arrangement with other group companies. This cash pooling arrangement is available to the company as required with no significant restrictions. Furthermore, the company manages its working capital through cash generated by its trading operations.

As the company has significant transactions with affiliated companies, the balance sheet includes significant intercompany receivable and payable balances with affiliated companies. These balances include £4.7m (2021: £2.6m) of intercompany creditors which are technically repayable on demand.

Any net bank borrowing requirements are covered by US global borrowing facilities, which is underwritten by a letter of support from Safeguard Medical Holdco LLC, to the Company. Safeguard Medical Holdco LLC has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will 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 until the company is in a position to do so. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for repayment. Based on this understanding, 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 which would result from the basis of preparation being inappropriate.

Based on this understanding, 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 which would result from the basis of preparation being inappropriate.

PROMETHEUS MEDICAL LTD

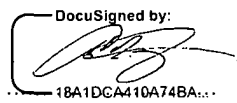
STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

Future developments

As the world returns to normal after the global COVID-19 pandemic, the company continues to abide by local regulations and strictly follows safety recommendations from international authoritative bodies. The company benefits from a diverse customer base and a growing portfolio of governmental and industry leading medical and healthcare providers supported by superior customer services. The sales team has grown and continues to focus on increasing their market share in certain areas throughout the globe. For these reasons, management remains confident in the company's continuing profitability and success.

On behalf of the board

DocuSigned by:

18A1DCA410A74BA...

A R Johnson

Director

Date: 25-Jun-2023

PROMETHEUS MEDICAL LTD

DIRECTORS' REPORT FOR THE PERIOD ENDED 2 JULY 2022

The directors present their annual report and financial statements for the period ended 2 July 2022.

The accounts are prepared for the period ended 2 July 2022, the comparative period was the 17 month period ended 30 June 2021.

Principal activities

The principal activity of the company continued to be that of the supply of pre-hospital emergency medical equipment and medical training courses and consulting.

The company had an overseas branch in United Arab Emirates this was dissolved on 16 March 2021.

Results and dividends

The results for the period are set out on page 10.

Ordinary dividends were paid amounting to £2,723,330. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

K Gallagher
A R Johnson
C Sweeney

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

Research and development

The improvement of existing products, together with the identification and development of new products and solutions, are important aspects of the group's strategy to enhance the quality of service to customers and maintain a competitive advantage. Expenditure on research and development is written off in the year in which it is incurred. The amount of research and development costs during the period totalled £667 (Period ended 30 June 2021 - £32,698).

Auditor

In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

Strategic report

Information as required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 including future developments and financial risk management objectives and policies has been included in the Strategic Report.

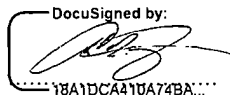
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

PROMETHEUS MEDICAL LTD

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2022

On behalf of the board

DocuSigned by:


18A1DCA410A74BA...

A R Johnson

Director

25-Jun-2023

Date:

PROMETHEUS MEDICAL LTD

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 2 JULY 2022

The directors are responsible for preparing the Strategic Report and 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMETHEUS MEDICAL LTD

Opinion

We have audited the financial statements of Prometheus Medical Ltd (the 'company') for the period ended 2 July 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 2 July 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMETHEUS MEDICAL LTD (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMETHEUS MEDICAL LTD (CONTINUED)

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, tax legislation and Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment legislation. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspecting relevant correspondence.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and performing tests of detail on revenue transactions during the period and around the period end.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Richard Eccles FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG

29 June 2023
.....

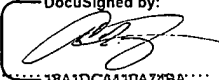
PROMETHEUS MEDICAL LTD**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 2 JULY 2022**

		Period ended 2 July 2022 £	Period ended 30 June 2021 £
	Notes		
Turnover	3	1,683,733	4,139,936
Cost of sales		(1,410,241)	(1,584,054)
Gross profit		273,492	2,555,882
Distribution costs		(133,988)	(47,278)
Administrative expenses		(2,433,539)	(3,293,564)
Other operating income		66,000	213,000
Operating loss	6	(2,228,035)	(571,960)
Interest payable and similar expenses	8	(10,279)	(20,614)
Loss before taxation		(2,238,314)	(592,574)
Tax on loss	9	430,646	3,663
Loss for the financial period		(1,807,668)	(588,911)
Other comprehensive income net of taxation			
Currency translation differences		-	8,973
Total comprehensive income for the period		(1,807,668)	(579,938)

PROMETHEUS MEDICAL LTD**STATEMENT OF FINANCIAL POSITION
AS AT 2 JULY 2022**

	Notes	2 July 2022		30 June 2021	
		£	£	£	£
Fixed assets					
Tangible assets	12		165,722		250,298
Investments	13		3,746,459		6,381,589
			<u>3,912,181</u>		<u>6,631,887</u>
Current assets					
Stocks	15	11,727		2,910	
Debtors falling due after more than one year	16	3,673,448		3,795,174	
Debtors falling due within one year	16	563,802		732,447	
Cash at bank and in hand		141,600		-	
		<u>4,390,577</u>		<u>4,530,531</u>	
Creditors: amounts falling due within one year	17	(5,354,582)		(4,003,756)	
Net current (liabilities)/assets			(964,005)		526,775
Total assets less current liabilities			<u>2,948,176</u>		<u>7,158,662</u>
Creditors: amounts falling due after more than one year	18		(40,630)		(25,072)
Provisions for liabilities	21		(324,954)		(20,000)
Net assets			<u>2,582,592</u>		<u>7,113,590</u>
Capital and reserves					
Called up share capital	24		3,650,122		3,650,122
Profit and loss reserves			(1,067,530)		3,463,468
Total equity			<u>2,582,592</u>		<u>7,113,590</u>

The financial statements were approved by the board of directors and authorised for issue on ...25 June 2023... and are signed on its behalf by:

DocuSigned by:

18A1DCA410A7#BA.....
 A R Johnson
 Director

PROMETHEUS MEDICAL LTD

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 2 JULY 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 31 January 2020 (Unaudited)		122	4,043,406	4,043,528
Period ended 30 June 2021:				
Loss for the period		-	(588,911)	(588,911)
Other comprehensive income net of taxation:				
Currency translation differences		-	8,973	8,973
Total comprehensive income for the period		-	(579,938)	(579,938)
Issue of share capital	24	3,650,000	-	3,650,000
Balance at 30 June 2021		3,650,122	3,463,468	7,113,590
Period ended 2 July 2022:				
Loss and total comprehensive income for the period		-	(1,807,668)	(1,807,668)
Dividends	10	-	(2,723,330)	(2,723,330)
Balance at 2 July 2022		3,650,122	(1,067,530)	2,582,592

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 2 JULY 2022

1 Accounting policies

Company information

Prometheus Medical Ltd is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Old Rectory, Hope-Under-Dinmore, Hereford, Herefordshire, HR6 0PW.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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.

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.

Reduced disclosure framework

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Safeguard Medical Holdco Ltd. These consolidated financial statements are available from its registered office, The Old Rectory, Hope-Under-Dinmore, Hereford, Herefordshire, HR6 0PW.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

1 Accounting policies (Continued)

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding loss of £1,807,668 (2021: £579,938), which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Safeguard Medical Holdco LLC, the company's parent undertaking. Safeguard Medical Holdco LLC has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will 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.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations, the company utilises funds from a cash pooling arrangement with other group companies. This cash pooling arrangement is available to the company as required with no significant restrictions. Furthermore, the company manages its working capital through cash generated by its trading operations.

As the company has significant transactions with affiliated companies, the balance sheet includes significant intercompany receivable and payable balances with affiliated companies. These balances include £4.7m (2021: £2.6m) of intercompany creditors which are technically repayable on demand.

Any net bank borrowing requirements are covered by US global borrowing facilities, which is underwritten by a letter of support from Safeguard Medical Holdco LLC, to the Company. Safeguard Medical Holdco LLC has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will 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 until the company is in a position to do so. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for repayment. Based on this understanding, 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 which would result from the basis of preparation being inappropriate.

Based on this understanding, 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 which would result from the basis of preparation being inappropriate.

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. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Revenue from sales of services is recognised in the period when the service is delivered.

Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

1 Accounting policies (Continued)

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.

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

Website costs	33% straight line
---------------	-------------------

Tangible fixed assets

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

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

Leasehold improvements	Over the life of the lease
Fixtures and fittings	33% straight line
Computers	33% straight line
Motor vehicles	25% reducing balance
Training equipment	33% straight line

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.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

1 Accounting policies (Continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks.

Financial instruments

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

Financial instruments are recognised 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

1 Accounting policies (Continued)

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 trade and other creditors, and loans from fellow group companies, 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.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

1 Accounting policies (Continued)

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. 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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

1 Accounting policies (Continued)

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Fixed assets

Depreciation is provided on fixed assets based on the estimate useful economic life of those assets. These are based on management's knowledge of the business, assets and prior experience (see note 12).

Impairment of investments and intercompany debtors

Determining whether the cost of investment is impaired requires an estimation of the value in use of the asset or cash generating units to which they have been allocated or belong. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the asset or cash generation unit and a suitable discount rate in order to calculate present value (see note 13).

The valuation of intercompany debtors is reviewed based on the balance sheet position and the forecasts of the related entity. The presentation of intercompany debtors as long term or short term is assessed by management based on expected timing of future cash flows.

Trade debtors

Trade debtors consist of amounts due from customers. An allowance for doubtful debtors will be recognised when the recoverable amount due from customers is lower than the carrying value. Any allowance will be based on the company's regular assessment of the credit worthiness and financial conditions for the customers (see note 16).

Provisions

The company has made a tax provision relating to a number of uncertain tax positions that the company is currently reviewing and reflects the current best estimate of amounts payable over the medium term. The provisions balance as at 2 July 2022 was £304,954 (30 June 2021: £Nil).

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

3 Turnover and other revenue

	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Turnover analysed by class of business		
Sale of equipment	163,815	1,037,656
Sale of service	1,519,918	3,102,280
	<u>1,683,733</u>	<u>4,139,936</u>
	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Other revenue		
Grants received	-	10,000
Management charges received	66,000	203,000
	<u></u>	<u></u>
	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Turnover analysed by geographical market		
United Kingdom	1,273,308	3,334,960
Europe	24,616	206,279
Rest of World	385,809	598,697
	<u>1,683,733</u>	<u>4,139,936</u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	Period ended 2 July 2022 Number	Period ended 30 June 2021 Number
Consultants and technical staff	14	19
Directors	3	3
Sales	-	1
Training	3	4
	<u></u>	<u></u>
Total	<u>20</u>	<u>27</u>

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2022

4 Employees (Continued)

Their aggregate remuneration comprised:

	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Wages and salaries	620,807	1,882,272
Social security costs	65,935	160,704
Pension costs	24,622	44,448
	<u>711,364</u>	<u>2,087,424</u>

5 Directors' remuneration

	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Remuneration for qualifying services	-	53,750

The directors of the company are paid by its ultimate parent, Safeguard Medical Holdco LLC. The amount of time spent undertaking their duties of Prometheus Medical Limited is minimal therefore no cost is allocated to the company.

6 Operating loss

	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Operating loss for the period is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	361,957	131,414
Research and development costs	667	32,698
Government grants	-	(10,000)
Depreciation of owned tangible fixed assets	57,251	56,093
Depreciation of tangible fixed assets held under finance leases	16,315	27,370
(Profit)/loss on disposal of tangible fixed assets	(6,654)	27,264
Operating lease charges	<u>125,430</u>	<u>148,983</u>

7 Auditor's remuneration

The audit fees are borne by the parent entity.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2022

8 Interest payable and similar expenses

	Period ended 2 July 2022	Period ended 30 June 2021
	£	£
Interest on bank overdrafts and loans	4,830	9,590
Interest on finance leases and hire purchase contracts	5,211	11,024
Other interest	238	-
	<u>10,279</u>	<u>20,614</u>

9 Taxation

	Period ended 2 July 2022	Period ended 30 June 2021
	£	£
Current tax		
Adjustments in respect of prior periods	(47,146)	5,550
Group tax relief	(331,852)	-
Total current tax	<u>(378,998)</u>	<u>5,550</u>
Deferred tax		
Origination and reversal of timing differences	(13,594)	(3,258)
Changes in tax rates	-	(2,555)
Adjustment in respect of prior periods	(38,054)	(3,400)
Total deferred tax	<u>(51,648)</u>	<u>(9,213)</u>
Total tax credit	<u>(430,646)</u>	<u>(3,663)</u>

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

9 Taxation (Continued)

The total tax credit for the period included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Loss before taxation	(2,238,314)	(592,574)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (30 June 2021: 19.00%)	(425,280)	(112,589)
Tax effect of expenses that are not deductible in determining taxable profit	85,030	34,451
Tax effect of income not taxable in determining taxable profit	(35)	4,582
Adjustments in respect of prior years	(47,146)	5,550
Group relief	-	60,587
Depreciation on assets not qualifying for tax allowances	(1,899)	10,493
Deferred tax adjustments in respect of prior years	(38,054)	(3,400)
Remeasurement of deferred tax for changes in tax rates	(3,262)	(3,337)
Taxation credit for the period	(430,646)	(3,663)

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 2 January 2022.

10 Dividends

	2 July 2022 £	30 June 2021 £
Interim paid	2,723,330	-

11 Intangible fixed assets

	Website costs £
Cost	
At 1 July 2021 and 2 July 2022	2,940
Amortisation and impairment	
At 1 July 2021 and 2 July 2022	2,940
Carrying amount	
At 2 July 2022	-
At 30 June 2021	-

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

12 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Training equipment	Total
	£	£	£	£	£	£
Cost						
At 1 July 2021	159,893	28,879	20,567	186,283	14,199	409,821
Additions	6,000	-	3,975	-	-	9,975
Disposals	-	-	-	(34,800)	-	(34,800)
At 2 July 2022	165,893	28,879	24,542	151,483	14,199	384,996
Depreciation and impairment						
At 1 July 2021	34,583	17,771	5,858	93,776	7,535	159,523
Depreciation charged in the period	38,047	3,100	7,805	22,755	1,859	73,566
Eliminated in respect of disposals	-	-	-	(13,815)	-	(13,815)
At 2 July 2022	72,630	20,871	13,663	102,716	9,394	219,274
Carrying amount						
At 2 July 2022	93,263	8,008	10,879	48,767	4,805	165,722
At 30 June 2021	125,310	11,108	14,709	92,507	6,664	250,298

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	2 July 2022	30 June 2021
	£	£
Motor vehicles	31,930	69,230

13 Fixed asset investments

	Notes	2 July 2022	30 June 2021
		£	£
Investments in subsidiaries	14	3,746,459	6,381,589

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

13 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2021	6,381,589
Additions	176,793
Disposals	(2,723,330)
At 2 July 2022	3,835,052
Impairment	
At 1 July 2021	-
Impairment losses	88,593
At 2 July 2022	88,593
Carrying amount	
At 2 July 2022	3,746,459
At 30 June 2021	6,381,589

On 15 September 2021, the company entered into a group reorganisation and transferred its shareholding in the following direct and indirect subsidiaries:

To Safeguard Medical Technologies Limited:

Simbodies Ltd

Safeguard Medical Nordic AS (previously known as Prometheus Medical Nordic AS)

Safeguard Medical Pty Ltd (previously known as Prometheus Medical Pty Ltd)

Safeguard Medical Services Africa (Pty) Ltd (previously known as Prometheus Medical Services Africa (Pty) Ltd)

To Safeguard Medical Holdco Ltd:

Safeguard Medical Technologies Limited

Safeguard Technologies Limited (previously known as Prometheus Medical Limited (Ireland))

Investments transferred to Safeguard Technologies Limited were transferred in return for an additional share issue in Safeguard Technologies Limited.

Investments transferred to Safeguard Medical Holdco Ltd were transferred via distribution of £2,723,330.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

14 Subsidiaries

Details of the company's subsidiaries at 2 July 2022 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct
Prometheus Medical (Scotland) Limited	1	Medical consulting, management and support to events	Ordinary shares	100.00
Prometheus Medical Europe SA	2	Supply of medical consultancy and reachback	Ordinary shares	100.00
Prometheus Medical Training Centre LLC	3	Supply of medical training	Ordinary shares	100.00
Prometheus Medical Ltd. L.L.C	4	TBC	Ordinary shares	100.00

Registered office addresses (all UK unless otherwise indicated):

- 1 Unit 2 A, Newbridge Industrial Estate, Newbridge, EH28 8PJ, Scotland
- 2 Rue Des Bains 35, 1205 Geneve, Switzerland
- 3 Silver Tower, DMCC, Jumeirah Lake Towers, PO Box 340505, Dubai, UAE
- 4 PO Box 17222, Doha, State of Qatar

15 Stocks

	2 July 2022 £	30 June 2021 £
Raw materials and consumables	11,727	2,910

16 Debtors

	2 July 2022 £	30 June 2021 £
Amounts falling due within one year:		
Trade debtors	228,210	321,176
Other debtors	227,322	357,029
Prepayments and accrued income	45,379	42,999
	500,911	721,204
Deferred tax asset (note 22)	62,891	11,243
	563,802	732,447
Amounts falling due after more than one year:		
Amounts owed by group undertakings	3,673,448	3,795,174
Total debtors	4,237,250	4,527,621

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

17 Creditors: amounts falling due within one year

	Notes	2 July 2022 £	30 June 2021 £
Bank overdrafts	19	166,486	531,427
Obligations under finance leases	20	17,137	92,145
Other borrowings	19	139,345	222,740
Trade creditors		210,993	67,126
Amounts owed to group undertakings		4,709,457	2,634,024
Corporation tax		-	5,550
Other taxation and social security		2,159	21,571
Other creditors		21,543	24,983
Accruals and deferred income		87,462	404,190
		<u>5,354,582</u>	<u>4,003,756</u>

18 Creditors: amounts falling due after more than one year

	Notes	2 July 2022 £	30 June 2021 £
Obligations under finance leases	20	<u>40,630</u>	<u>25,072</u>

19 Borrowings

	2 July 2022 £	30 June 2021 £
Bank overdrafts	166,486	531,427
Other loans	139,345	222,740
	<u>305,831</u>	<u>754,167</u>
Payable within one year	<u>305,831</u>	<u>754,167</u>

Other loans were settled in December 2022.

Bank overdrafts are annual facilities, subject to review at various dates and are repayable on demand. The average interest rate on bank overdrafts was based on LIBOR plus 3%. The overdraft is secured over the assets of the company.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

20 Finance lease obligations

	2 July 2022	30 June 2021
	£	£
Future minimum lease payments due under finance leases:		
Less than one year	17,136	92,145
Between one and five years	40,631	25,072
	<u>57,767</u>	<u>117,217</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

21 Provisions for liabilities

	2 July 2022	30 June 2021
	£	£
Dilapidations	20,000	20,000
Tax provision	304,954	-
	<u>324,954</u>	<u>20,000</u>

Movements on provisions:

	Dilapidations	Tax provision	Total
	£	£	£
At 1 July 2021	20,000	-	20,000
Additional provisions in the period	-	304,954	304,954
At 2 July 2022	<u>20,000</u>	<u>304,954</u>	<u>324,954</u>

Dilapidation provisions had been created to cover the costs of reinstating the company's leasehold premises at the end of the lease.

The tax provision relates to a number of uncertain tax positions that the company/group is currently reviewing and reflects the current best estimate of amounts payable over the medium term.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

22 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Assets 2 July 2022 £	Assets 30 June 2021 £
Balances:		
Fixed asset timing differences	16,698	5,309
Short term timing differences	7,006	5,934
Losses and other deductions	39,187	-
	<u>62,891</u>	<u>11,243</u>
		2 July 2022
Movements in the period:		£
Liability/(Asset) at 1 July 2021		(11,243)
Credit to profit or loss		(51,648)
		<u>(62,891)</u>
Liability/(Asset) at 2 July 2022		<u>(62,891)</u>

The deferred tax asset set out above is expected to reverse within 3 years and relates to accelerated capital allowances and timing differences that are expected to mature within the same period.

23 Retirement benefit schemes

	Period ended 2 July 2022 £	Period ended 30 June 2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	24,622	44,448

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions totalling £8,026 (2021 - £3,735) were payable to the fund at the period end and are included within other creditors.

24 Share capital

	2 July 2022 Number	30 June 2021 Number	2 July 2022 £	30 June 2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	3,650,122	3,650,122	3,650,122	3,650,122

Each share has full rights in the company with respect to voting, dividends and distributions.

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2022

25 Reserves

Profit and loss reserve

The profit and loss reserves represents cumulative profits and losses for the company net of distributions to owners.

26 Financial commitments, guarantees and contingent liabilities

Borrowings of the company and another group company, are secured on the assets of the group. At 2 July 2022, these bank borrowings totalled £665,648 (2021 - £639,939).

27 Operating lease commitments

Lessee

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

	2 July 2022	30 June 2021
	£	£
Within one year	166,559	128,000
Between one and five years	234,857	512,000
In over five years	39,667	58,333
	<u>441,083</u>	<u>698,333</u>

28 Related party transactions

Transactions with related parties

During the period the company entered into the following transactions with related parties:

	Sales		Purchases	
	Period ended	Period ended	Period ended	Period ended
	2 July 2022	30 June 2021	2 July 2022	30 June 2021
	£	£	£	£
Transactions with companies controlled by a common director	<u>24,527</u>	<u>-</u>	<u>170,320</u>	<u>373,200</u>

The following amounts were outstanding at the reporting end date:

	2 July 2022	30 June 2021
	£	£
Amounts due from related parties		
Transactions with companies controlled by a common director	<u>19,650</u>	<u>16,878</u>

PROMETHEUS MEDICAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2022

29 Ultimate controlling party

The smallest group in which the results of the company are consolidated and immediate parent undertaking is that headed by Safeguard Medical Holdco Ltd, registered at The Old Rectory Cherrybrook Close, Hope-Under-Dinmore, Leominster, England, HR6 0PW.

The largest group in which the results of the company are consolidated and ultimate parent undertaking is that headed by Safeguard Medical Holdco LLC, a company incorporated in United States of America. The results can be obtained from its registered office at 444 W. Lake St, Suite 1800, Chicago, IL 60606. These financial statements are not publicly available.