

Company Registration No. 05814528 (England and Wales)

FOUNTAIN DIAGNOSTIC LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 MARCH 2023

Northgate
118 North Street
Leeds
England
LS2 7PN

FOUNTAIN DIAGNOSTIC LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4 - 6
Statement of comprehensive income	7
Balance sheet	8 - 9
Statement of changes in equity	10
Notes to the financial statements	11 - 24

FOUNTAIN DIAGNOSTIC LIMITED

COMPANY INFORMATION

Directors	Dr S M Feldman Mrs S A Feldman
Company number	05814528
Registered office	4215 Park Approach Thorpe Park Leeds LS15 8GB
Auditor	Henton & Co LLP Northgate 118 North Street Leeds England LS2 7PN

FOUNTAIN DIAGNOSTIC LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 MARCH 2023

The directors present the strategic report for the year ended 30 March 2023.

Fair review of the business

As the business continues to grow, we have focused on improving efficiencies in the current business. We continue to focus on profitable services we can provide to both the NHS and private patients.

The year under review continued to be challenging, with well-publicised pressures on NHS resources resulting in staff shortages and the need to increase the use of locum staff to ensure the increases in patient numbers treated did not impact on the safe operation of our medical centres.

The Company invested in new medical equipment during the year to improve efficiencies and will continue to do so to both improve efficiency and increase the number of medical centres.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company concern the time, date and nature of certain contracts awarded by NHS commissioning bodies for the delivery of patient care. The continuing evolution of NHS service commissioning is both an opportunity and a risk. Therefore, in so far as it is possible, we mitigate that risk through regular monitoring of performance under our current contracts and careful selection when bidding for new contracts.

Key performance indicators

The key financial performance indicators are turnover and profit before tax, which are reported in the Statement of Comprehensive Income. The Company grew turnover by increasing activity levels. However, profitability reduced, primarily as a result of the pressures described above.

On behalf of the board

Dr S M Feldman
Director

16 January 2024

FOUNTAIN DIAGNOSTIC LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 MARCH 2023

The directors present their annual report and financial statements for the year ended 30 March 2023.

Principal activities

The principal activity of the company continued to be the provision of medical services.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

Dr S M Feldman

Mrs S A Feldman

Auditor

Henton & Co LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Dr S M Feldman

Director

16 January 2024

FOUNTAIN DIAGNOSTIC LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 MARCH 2023

The directors are responsible for preparing the annual 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.

FOUNTAIN DIAGNOSTIC LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FOUNTAIN DIAGNOSTIC LIMITED

Opinion

We have audited the financial statements of Fountain Diagnostic Limited (the 'company') for the year ended 30 March 2023 which comprise the statement of comprehensive income, the balance sheet, 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 30 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

FOUNTAIN DIAGNOSTIC LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FOUNTAIN DIAGNOSTIC LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year 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.

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 and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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, 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 our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Reviewed the nature of the industry and sector, the control environment and business performance for the year.
- Identifying the laws and regulations the company operates within and enquiring with management if they are aware of any non compliance issues.
- Discussed how and where fraud may occur with all members of the audit engagement team.
- In line with all audits under ISAs (UK) we were required to perform tests to respond to the risk of management override. We tested the appropriateness of journal entries, evaluated the judgements made for accounting estimates to assess if any bias, and assessed the rationale behind any significant or unusual transactions.

FOUNTAIN DIAGNOSTIC LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FOUNTAIN DIAGNOSTIC LIMITED

A further description of our responsibilities is available 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.

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.

Chris Howitt

(Senior Statutory Auditor)

For and on behalf of Henton & Co LLP

17 January 2024

Chartered Accountants

Statutory Auditor

Northgate
118 North Street
Leeds
England
LS2 7PN

FOUNTAIN DIAGNOSTIC LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 MARCH 2023

		2023	2022
	Notes	£	£
Turnover	2	12,526,323	10,528,454
Cost of sales		(5,789,167)	(4,997,711)
Gross profit		<u>6,737,156</u>	<u>5,530,743</u>
Administrative expenses		(6,030,953)	(5,359,311)
Operating profit	3	<u>706,203</u>	<u>171,432</u>
Dividends receivable	6	-	640,000
Interest payable and similar expenses	7	(59,126)	(43,689)
Profit before taxation		<u>647,077</u>	<u>767,743</u>
Tax on profit	8	(146,811)	15,812
Profit for the financial year		<u><u>500,266</u></u>	<u><u>783,555</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

FOUNTAIN DIAGNOSTIC LIMITED

BALANCE SHEET

AS AT 30 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Goodwill	9		130,777		205,565
Tangible assets	10		886,841		697,959
Investments	11		403		403
			<u>1,018,021</u>		<u>903,927</u>
Current assets					
Stocks	13	20,000		17,000	
Debtors	14	4,107,179		4,031,639	
Cash at bank and in hand		108,982		106	
		<u>4,236,161</u>		<u>4,048,745</u>	
Creditors: amounts falling due within one year	15	(2,824,183)		(3,122,716)	
		<u></u>		<u></u>	
Net current assets			1,411,978		926,029
			<u></u>		<u></u>
Total assets less current liabilities			2,429,999		1,829,956
			<u></u>		<u></u>
Creditors: amounts falling due after more than one year	16		(696,151)		(743,185)
			<u></u>		<u></u>
Provisions for liabilities					
Deferred tax liability	19	146,811		-	
		<u>146,811</u>	(146,811)	<u>-</u>	-
Net assets			1,587,037		1,086,771
			<u><u>1,587,037</u></u>		<u><u>1,086,771</u></u>
Capital and reserves					
Called up share capital	21		110		110
Profit and loss reserves			1,586,927		1,086,661
			<u>1,587,037</u>		<u>1,086,771</u>
Total equity			<u><u>1,587,037</u></u>		<u><u>1,086,771</u></u>

FOUNTAIN DIAGNOSTIC LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 MARCH 2023

The financial statements were approved by the board of directors and authorised for issue on 16 January 2024 and are signed on its behalf by:

Dr S M Feldman

Director

Company Registration No. 05814528

FOUNTAIN DIAGNOSTIC LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 MARCH 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 April 2021		100	303,106	303,206
Year ended 30 March 2022:				
Profit and total comprehensive income for the year		-	783,555	783,555
Issue of share capital	21	10	-	10
Balance at 30 March 2022		110	1,086,661	1,086,771
Year ended 30 March 2023:				
Profit and total comprehensive income for the year		-	500,266	500,266
Balance at 30 March 2023		110	1,586,927	1,587,037

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

Company information

Fountain Diagnostic Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4215 Park Approach, Thorpe Park, Leeds, LS15 8GB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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 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: Interest income/expense and net gains/losses for financial instruments not measured at fair value; 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 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Living Care Group Limited. These consolidated financial statements are available from its registered office, 4215 Park Approach, Leeds, England, LS15 8GB.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies (Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

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

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

Plant and equipment	3 - 8 years straight line
Fixtures and fittings	15% reducing balance
Office equipment	15% reducing balance

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

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

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

1.8 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.

1.9 Cash and cash equivalents

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

1 Accounting policies

(Continued)

1.10 Financial instruments

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

Financial instruments are recognised in the company's balance sheet 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.11 Equity instruments

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

1.12 Taxation

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

Current tax

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

Deferred tax

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies (Continued)

1.13 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 balance sheet 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.

2 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Medical services	12,526,323	10,528,454
	<u> </u>	<u> </u>

	2023	2022
	£	£
Other significant revenue		
Dividends received	-	640,000
	<u> </u>	<u> </u>

3 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	10,000	8,000
Depreciation of owned tangible fixed assets	161,275	96,187
Amortisation of intangible assets	74,788	128,575
Operating lease charges	877,155	478,177
	<u> </u>	<u> </u>

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

4 Employees

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

	2023	2022
	Number	Number
Total	165	134

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	3,128,831	3,111,527
Social security costs	304,565	283,966
Pension costs	68,657	236,436
	<u>3,502,053</u>	<u>3,631,929</u>

5 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	23,387	-

6 Interest receivable and similar income

	2023	2022
	£	£
Income from fixed asset investments		
Income from shares in group undertakings	-	640,000

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and loans	19,200	6,508
Interest on finance leases and hire purchase contracts	39,926	37,181
	<u>59,126</u>	<u>43,689</u>

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

8 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(15,862)
Adjustments in respect of prior periods	-	50
	<u>-</u>	<u>(15,812)</u>
Total current tax	<u>-</u>	<u>(15,812)</u>
Deferred tax		
Origination and reversal of timing differences	161,504	-
Adjustment in respect of prior periods	(14,693)	-
	<u>146,811</u>	<u>-</u>
Total deferred tax	<u>146,811</u>	<u>-</u>
Total tax charge/(credit)	<u>146,811</u>	<u>(15,812)</u>

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023	2022
	£	£
Profit before taxation	<u>647,077</u>	<u>767,743</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	122,945	145,871
Tax effect of expenses that are not deductible in determining taxable profit	1,140	25,327
Tax effect of income not taxable in determining taxable profit	-	(121,600)
Tax effect of utilisation of tax losses not previously recognised	68,517	-
Unutilised tax losses carried forward	-	(68,517)
Permanent capital allowances in excess of depreciation	(15,551)	-
Deferred tax adjustments in respect of prior years	(30,240)	3,107
	<u>146,811</u>	<u>(15,812)</u>
Taxation charge/(credit) for the year	<u>146,811</u>	<u>(15,812)</u>

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

9 Intangible fixed assets

	Goodwill £
Cost	
At 31 March 2022 and 30 March 2023	858,938
Amortisation and impairment	
At 31 March 2022	653,373
Amortisation charged for the year	74,788
At 30 March 2023	728,161
Carrying amount	
At 30 March 2023	130,777
At 30 March 2022	205,565

10 Tangible fixed assets

	Plant and equipment £	Furniture and fittings £	Office equipment £	Total £
Cost				
At 31 March 2022	1,178,822	276,509	48,977	1,504,308
Additions	289,401	60,756	-	350,157
At 30 March 2023	1,468,223	337,265	48,977	1,854,465
Depreciation and impairment				
At 31 March 2022	566,452	199,662	40,235	806,349
Depreciation charged in the year	143,956	15,133	2,186	161,275
At 30 March 2023	710,408	214,795	42,421	967,624
Carrying amount				
At 30 March 2023	757,815	122,470	6,556	886,841
At 30 March 2022	612,370	76,847	8,742	697,959

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

11 Fixed asset investments

	Notes	2023 £	2022 £
Investments in subsidiaries	12	403	403
		<u> </u>	<u> </u>

12 Subsidiaries

Details of the company's subsidiaries at 30 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Calepark Limited	4215, Park Approach, Thorpe Park, Leeds LS15 8GB	Ordinary	100.00
Standard Healthcare Services Limited	4215, Park Approach, Thorpe Park, Leeds LS15 8GB	Ordinary	100.00
Leodis Care Limited	4215, Park Approach, Thorpe Park, Leeds LS15 8GB	Ordinary	75.00
Livingcare Sheffield Limited	4215, Park Approach, Thorpe Park, Leeds LS15 8GB	Ordinary	100.00
Exceed Sprots Group Limited	4215, Park Approach, Thorpe Park, Leeds LS15 8GB	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves	Profit/(Loss)
	£	£
Calepark Limited	18,271	-
Standard Healthcare Services Limited	545	-
Leodis Care Limited	782	-
Livingcare Sheffield Limited	(326,778)	(178,518)
Exceed Sprots Group Limited	(8,763)	(8,863)

13 Stocks

	2023 £	2022 £
Raw materials and consumables	20,000	17,000
	<u> </u>	<u> </u>

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	679,703	597,410
Amounts owed by group undertakings	3,106,826	2,730,461
Other debtors	19,814	34,604
Prepayments and accrued income	300,836	669,164
	<u>4,107,179</u>	<u>4,031,639</u>

15 Creditors: amounts falling due within one year

		2023	2022
	Notes	£	£
Bank loans and overdrafts	17	111,111	273,314
Obligations under finance leases	18	164,896	127,178
Trade creditors		1,631,373	1,107,185
Amounts owed to group undertakings		136,782	476,753
Taxation and social security		81,787	86,772
Other creditors		13,420	20,332
Accruals and deferred income		684,814	1,031,182
		<u>2,824,183</u>	<u>3,122,716</u>

The director has given a personal guarantee in respect of the above loans.

16 Creditors: amounts falling due after more than one year

		2023	2022
	Notes	£	£
Bank loans and overdrafts	17	149,837	261,140
Obligations under finance leases	18	546,314	482,045
		<u>696,151</u>	<u>743,185</u>

The director has given a personal guarantee in respect of the above loans.

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

17 Loans and overdrafts

	2023	2022
	£	£
Bank loans	260,948	370,370
Bank overdrafts	-	164,084
	<u>260,948</u>	<u>534,454</u>
	<u><u>260,948</u></u>	<u><u>534,454</u></u>
Payable within one year	111,111	273,314
Payable after one year	149,837	261,140
	<u><u>111,111</u></u>	<u><u>273,314</u></u>
	<u><u>149,837</u></u>	<u><u>261,140</u></u>

The long-term loans are secured by a debenture over the assets of the company.

The long term bank debt is a standard CBILS loan provided by Virgin Money plc.

18 Finance lease obligations

	2023	2022
	£	£
Future minimum lease payments due under finance leases:		
Within one year	164,896	127,178
In two to five years	546,314	482,045
	<u>711,210</u>	<u>609,223</u>
	<u><u>711,210</u></u>	<u><u>609,223</u></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 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

FOUNTAIN DIAGNOSTIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

19 Deferred taxation

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

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Accelerated capital allowances	185,310	-
Tax losses	(37,191)	-
Retirement benefit obligations	(1,308)	-
	<u>146,811</u>	<u>-</u>
Movements in the year:		2023 £
Liability at 31 March 2022		-
Charge to profit or loss		146,811
		<u>146,811</u>
Liability at 30 March 2023		<u>146,811</u>

20 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	68,657	236,436
	<u>68,657</u>	<u>236,436</u>

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.

21 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary Shares of 1p each	10,000	10,000	100	100
Ordinary B Shares of 1p each	1,000	1,000	10	10
	<u>11,000</u>	<u>11,000</u>	<u>110</u>	<u>110</u>

FOUNTAIN DIAGNOSTIC LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 MARCH 2023****22 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:

	2023	2022
	£	£
Between two and five years	1,138,227	1,138,227
	<u>1,138,227</u>	<u>1,138,227</u>

23 Related party transactions**Balances with related parties**

	Amounts owed by related parties		Amounts owed to related parties	
	2023	2022	2023	2022
	£	£	£	£
Laserslim Cosmetic Services Limited	-	-	63,583	457,068
Leodis Care Limited	-	-	782	782
Living Care Health Limited	336,339	325,000	-	-
Living Care Imaging Limited	-	42,351	53,615	-
	<u>336,339</u>	<u>325,000</u>	<u>117,980</u>	<u>457,850</u>

Other information

The Company has taken the exemption set out in FRS 102 from disclosing transactions with wholly owned group members.

24 Directors' transactions

At 30 March 2023 the director owed the company £12,454 (2022 - £34,604). The maximum outstanding in the year was £34,604.

25 Ultimate controlling party

The company's parent is Living Care Group Limited, incorporated in England and Wales.

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