

Registered number: 05924091

**APEX DENTAL CARE LIMITED**

**UNAUDITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

SATURDAY



\*A947K682\*

A04

02/05/2020

#209

COMPANIES HOUSE

---

## **APEX DENTAL CARE LIMITED**

### **COMPANY INFORMATION**

#### **Directors**

N W Banton (appointed 19 November 2019)  
R J Bryant (resigned 19 November 2019)  
P J Conway (appointed 19 November 2019)  
S J Preddy (resigned 19 November 2019)  
G Pueyo Roberts (appointed 1 February 2019)  
S L Ramage (appointed 19 November 2019)  
I D Wood (resigned 19 November 2019)  
J S H Wright

#### **Company secretary**

Bupa Secretaries Limited

#### **Registered number**

05924091

#### **Registered office**

Bupa Dental Care  
Vantage Office Park  
Old Gloucester Road, Hambrook  
Bristol  
BS16 1GW

# **APEX DENTAL CARE LIMITED**

## **CONTENTS**

	<b>Page</b>
<b>Strategic Report</b>	<b>1 - 2</b>
<b>Directors' Report</b>	<b>3</b>
<b>Statement of Comprehensive Income</b>	<b>4</b>
<b>Balance Sheet</b>	<b>5 - 6</b>
<b>Statement of Changes in Equity</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8 - 21</b>

## **APEX DENTAL CARE LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present the Strategic Report of Apex Dental Care Limited (the "Company") for the year ended 31 December 2019.

#### **Business review**

The Directors manage the various businesses of The Oasis Healthcare Group Limited group (the "Group") on a group, rather than an individual basis. As such, a separate business review for the Company has not been prepared, but a group review can be found in the Strategic Report contained in the Annual Report of The Oasis Healthcare Group Limited. Neither the Strategic Report nor the Annual Report of The Oasis Healthcare Group Limited forms part of this report.

#### **COVID-19**

On March 11 2020, the World Health Organization declared Coronavirus COVID-19 a pandemic, due to its rapid spread throughout the world. Most governments are taking restrictive measures to contain the spread and the situation is significantly affecting the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in the volatility of asset prices, exchange rates and a decrease in long-term interest rates.

As the implications of COVID-19 are indicative of conditions that arose after the end of the reporting period end, it is a subsequent event that does not require any adjustments to the annual accounts for the financial year 2019. Whilst it is not possible, at this stage, to accurately estimate the financial impacts of this crisis, the Directors note, as at the date of approval of these financial statements that there have been operational disruptions to the business with most practices only able to offer telephone triage and emergency dental treatment, whilst 20 of our practices in Ireland are closed. In order to mitigate the financial impact of COVID-19, the Directors have implemented various cost savings in the Group, such as reducing travel costs, undertaking rental negotiations and obtaining rates relief. As at the date of approval of these financial statements, it is not currently considered that there are any significant doubts over the Company's ability to continue as a going concern for at least a year from the date of approval of these financial statements as there is on-going support from our parent company. We continue to monitor our business for potential impacts and to manage the associated risks.

#### **Principal risks and uncertainties**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of The Oasis Healthcare Group Limited, which include those of the Company, are discussed in the Strategic Report contained in the Annual Report of The Oasis Healthcare Group Limited. Neither the Strategic Report nor the Annual Report of The Oasis Healthcare Group Limited forms part of this report.

#### **Financial key performance indicators**

The Directors of The Oasis Healthcare Group Limited manage the Group's operations on a group-wide basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company.

The development, performance and position of The Oasis Healthcare Group Limited, which includes the Company, is discussed in the Strategic Report contained in the Annual Report of The Oasis Healthcare Group Limited. Neither the Strategic Report nor the Annual Report of The Oasis Healthcare Group Limited forms part of this report.

**APEX DENTAL CARE LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Directors' statement of compliance with duty to promote the success of the Company**

**Engaging with our stakeholders (section 172(1) statement)**

The Board has a duty to promote the success of the Group for the benefit of its members as a whole having regard to the interests of our customers, our people, our relationship with our suppliers and the impact of our operations on the communities in which we operate, and to ensure that we maintain a reputation for high standards of business conduct.

The full Directors' statement of compliance of The Oasis Healthcare Group Limited, which includes the Company, is discussed in the Strategic Report contained in the Annual Report of The Oasis Healthcare Group Limited. Neither the Strategic Report nor the Annual Report of The Oasis Healthcare Group Limited forms part of this report.

This report was approved by the board on 28 April 2020 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'J S H Wright', with a large checkmark-like flourish at the end.

**J S H Wright**  
Director

## **APEX DENTAL CARE LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present their report and the financial statements for the year ended 31 December 2019.

#### **Principal activity**

The principal activity of the Company is the operation of dental practices.

The Directors do not anticipate any material change in the Company's activities in the ensuing year.

*On 12 December 2019, the entire issued share capital of the Company was acquired by Xeon Smiles UK Limited, a subsidiary of The Oasis Healthcare Group Limited.*

#### **Results and dividends**

The loss for the year, after taxation, amounted to £980,031 (2018 - loss £651,609).

The Directors do not recommend the payment of a dividend (2018 - £nil) and no dividends have been paid during the year (2018 - £nil).

#### **Directors**

The Directors who served during the year were:

N W Banton (appointed 19 November 2019)  
R J Bryant (resigned 19 November 2019)  
P J Conway (appointed 19 November 2019)  
S J Preddy (resigned 19 November 2019)  
G Pueyo Roberts (appointed 1 February 2019)  
S L Ramage (appointed 19 November 2019)  
I D Wood (resigned 19 November 2019)  
J S H Wright

#### **Future developments**

As the Company is an intermediate company in the Group headed by The Oasis Healthcare Group Limited, the Directors, therefore, do not believe that a discussion of future developments is necessary.

#### **Engagement with employees**

Employee involvement, consultation and development fulfil key roles in achieving success for the Company's continuing growth. Employees are kept informed of the operational and financial developments of the Company through meetings, practice newsletters and the intranet.

#### **Financial risk management**

The Company's operations expose it to a variety of financial risks. The Directors of The Oasis Healthcare Group Limited manage the Group's risks at a group level rather than at an individual company level. For this reason, the Company's Directors believe that a discussion of the Company's financial risks is not appropriate here. The principal risks and uncertainties of The Oasis Healthcare Group Limited group, which include those of the Company, are disclosed within the Directors' Report in the Group's financial statements which does not form part of these financial statements.

This report was approved by the board on 28 April 2020 and signed on its behalf.



**J S H Wright**  
Director

**APEX DENTAL CARE LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Turnover	4	<b>15,504,413</b>	16,080,764
Cost of sales		<b>(8,516,610)</b>	(8,689,493)
<b>Gross profit</b>		<b>6,987,803</b>	7,391,271
Administrative expenses		<b>(8,217,528)</b>	(7,730,255)
Exceptional administrative expenses	5	-	(502,230)
Other operating income	6	<b>37,800</b>	47,800
<b>Operating loss</b>	7	<b>(1,191,925)</b>	(793,414)
Interest receivable and similar income	9	<b>132</b>	366
<b>Loss before tax</b>		<b>(1,191,793)</b>	(793,048)
Tax on loss	10	<b>211,762</b>	141,439
<b>Loss for the financial year</b>		<b>(980,031)</b>	(651,609)
<b>Total comprehensive expense for the year</b>		<b>(980,031)</b>	(651,609)

The notes on pages 8 to 21 form part of these financial statements.

**APEX DENTAL CARE LIMITED**  
**REGISTERED NUMBER: 05924091**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	11	7,578,225	8,284,912
Tangible assets	12	6,684,055	6,503,248
Investments	13	1,783,045	1,783,045
		<u>16,045,325</u>	<u>16,571,205</u>
<b>Current assets</b>			
Stocks	14	233,521	210,951
Debtors: amounts falling due within one year	15	12,473,770	10,990,411
Cash at bank and in hand		24,120	186,291
		<u>12,731,411</u>	<u>11,387,653</u>
Creditors: amounts falling due within one year	16	(24,582,444)	(22,750,273)
<b>Net current liabilities</b>		<u>(11,851,033)</u>	<u>(11,362,620)</u>
<b>Total assets less current liabilities</b>		<u>4,194,292</u>	<u>5,208,585</u>
<b>Provisions for liabilities</b>			
Deferred tax	17	(63,446)	(47,708)
Other provisions	18	-	(50,000)
		<u>(63,446)</u>	<u>(97,708)</u>
<b>Net assets</b>		<u>4,130,846</u>	<u>5,110,877</u>
<b>Capital and reserves</b>			
Called up share capital	19	100,000	100,000
Profit and loss account	20	4,030,846	5,010,877
<b>Shareholders' funds</b>		<u>4,130,846</u>	<u>5,110,877</u>

**APEX DENTAL CARE LIMITED**  
**REGISTERED NUMBER: 05924091**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 April 2020.

A handwritten signature in black ink, appearing to be 'J S H Wright', with a large checkmark-like flourish at the end.

**J S H Wright**  
Director

The notes on pages 8 to 21 form part of these financial statements.

**APEX DENTAL CARE LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2019	100,000	5,010,877	5,110,877
<b>Comprehensive expense for the year</b>			
Loss for the year	-	(980,031)	(980,031)
<b>At 31 December 2019</b>	<b>100,000</b>	<b>4,030,846</b>	<b>4,130,846</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2018	100,000	5,662,486	5,762,486
<b>Comprehensive expense for the year</b>			
Loss for the year	-	(651,609)	(651,609)
<b>At 31 December 2018</b>	<b>100,000</b>	<b>5,010,877</b>	<b>5,110,877</b>

The notes on pages 8 to 21 form part of these financial statements.

## **APEX DENTAL CARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **1. General information**

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is: Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

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

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest pound (£) except where otherwise indicated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

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

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

This information is included in the consolidated financial statements of The Oasis Healthcare Group Limited as at 31 December 2019 and these financial statements may be obtained from Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

##### **2.3 Exemption from preparing consolidated financial statements**

The Company is itself a subsidiary undertaking and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### **2.4 Going concern**

The financial statements have been prepared on a going concern basis as an indirect parent undertaking has stated that, subject to unforeseen circumstances, it intends to provide financial support to enable the Company to meet its liabilities as and when they fall due and the Directors reasonably believe the indirect parent undertaking would be in a position to provide this support.

## APEX DENTAL CARE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 2. Accounting policies (continued)

##### 2.5 Revenue

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

##### Rendering of services

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

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

##### 2.6 Intangible assets

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Statement of Comprehensive Income over its estimated economic life.

##### 2.7 Tangible fixed assets

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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 50 years straight line
Long-term leasehold property	- 50 years straight line
Leasehold improvements	- over 15 years straight line
Fixtures and fittings	- 3 - 15 years straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

## **APEX DENTAL CARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **2. Accounting policies (continued)**

##### **2.8 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **2.9 Stocks**

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

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

##### **2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.12 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when

## **APEX DENTAL CARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **2. Accounting policies (continued)**

##### **2.12 Financial instruments (continued)**

there is an 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.

##### **2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.14 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

##### **2.15 Pensions**

###### **Defined contribution pension plan**

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.16 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

##### **2.17 Provisions for liabilities**

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

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

## **APEX DENTAL CARE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **2. Accounting policies (continued)**

##### **2.18 Current and deferred taxation**

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

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

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

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

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

##### **2.19 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

##### **2.20 Contingent consideration**

The Company uses deferral of part of the consideration for acquisitions of dental practices to manage the risk that practices acquired will fail to attain acceptable levels of turnover. The amount deferred is interest free, recognised in creditors and discounted where material. The unwinding of any discount is taken to the Statement of Comprehensive Income and included within interest payable and similar charges.

#### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Due to the nature of the Company's business, the Directors do not consider there to be key judgments or sources of estimation uncertainty in preparing the financial statements.

#### **4. Turnover**

The whole of the turnover is attributable to the operation of dental practices.

All turnover arose within the United Kingdom.

**APEX DENTAL CARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**5. Exceptional items**

	2019 £	2018 £
Restructuring costs	-	502,230

**6. Other operating income**

	2019 £	2018 £
Net rents receivable	37,800	47,800

**7. Operating loss**

The operating loss is stated after charging:

	2019 £	2018 £
Other operating lease rentals	226,350	239,063

**8. Employees**

	2019 £	2018 £
Wages and salaries	3,524,479	3,423,687
Social security costs	206,381	203,566
Cost of defined contribution scheme	74,036	63,677
	<b>3,804,896</b>	<b>3,690,930</b>

The average monthly number of employees, including the Directors, during the year was as follows:

	2019 No.	2018 No.
	221	237

**9. Interest receivable**

	2019 £	2018 £
Bank interest receivable	132	366

# APEX DENTAL CARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 10. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on losses for the year	(213,751)	(145,752)
Adjustments in respect of previous periods	(13,749)	-
<b>Total current tax</b>	<b>(227,500)</b>	<b>(145,752)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	30,722	41,018
Adjustments in respect of prior periods	(14,984)	(36,705)
<b>Total deferred tax</b>	<b>15,738</b>	<b>4,313</b>
<b>Taxation on loss on ordinary activities</b>	<b>(211,762)</b>	<b>(141,439)</b>

### Factors affecting tax credit for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	(1,191,793)	(793,048)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(226,441)	(150,679)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	47,026	66,650
Adjustments in respect of deferred tax of previous years	(14,984)	(36,705)
Adjustments in respect of current income tax of previous years	(13,749)	-
Non-assessable income	-	(15,879)
Changes in tax rates	(3,614)	(4,826)
<b>Total tax credit for the year</b>	<b>(211,762)</b>	<b>(141,439)</b>

## APEX DENTAL CARE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 10. Taxation (continued)

##### Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016 and the UK deferred tax liability as at 31 December 2019 has been calculated based on this rate. In the Budget on the 11 March 2020, the Chancellor announced that the UK tax rate will remain at the current rate of 19% and not reduce to 17% from 1 April 2020. This will have an effect on the Company's future tax charge. If this rate change had been substantively enacted at the current balance sheet date the deferred tax liability would have increased by £7,000.

#### 11. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 January 2019	13,614,592
At 31 December 2019	<u>13,614,592</u>
<b>Amortisation</b>	
At 1 January 2019	5,329,680
Charge for the year on owned assets	706,687
At 31 December 2019	<u>6,036,367</u>
<b>Net book value</b>	
At 31 December 2019	<u>7,578,225</u>
At 31 December 2018	<u>8,284,912</u>

**APEX DENTAL CARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**12. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Fixtures and fittings £	Leasehold improvements £	Total £
<b>Cost or valuation</b>					
At 1 January 2019	3,515,069	252,500	3,306,997	2,127,244	9,201,810
Additions	145,949	-	271,421	237,999	655,369
Transfers between classes	1,272,163	-	-	(1,272,163)	-
At 31 December 2019	<u>4,933,181</u>	<u>252,500</u>	<u>3,578,418</u>	<u>1,093,080</u>	<u>9,857,179</u>
<b>Depreciation</b>					
At 1 January 2019	300,163	37,816	1,941,034	419,549	2,698,562
Charge for the year on owned assets	159,061	10,143	236,532	68,826	474,562
Transfers between classes	249,989	-	-	(249,989)	-
At 31 December 2019	<u>709,213</u>	<u>47,959</u>	<u>2,177,566</u>	<u>238,386</u>	<u>3,173,124</u>
<b>Net book value</b>					
At 31 December 2019	<u>4,223,968</u>	<u>204,541</u>	<u>1,400,852</u>	<u>854,694</u>	<u>6,684,055</u>
At 31 December 2018	<u>3,214,906</u>	<u>214,684</u>	<u>1,365,963</u>	<u>1,707,695</u>	<u>6,503,248</u>

# **APEX DENTAL CARE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

### **13. Fixed asset investments**

	Investments in subsidiary companies £	Loans to subsidiaries £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	1,247,716	535,329	1,783,045
At 31 December 2019	<u>1,247,716</u>	<u>535,329</u>	<u>1,783,045</u>

### **Subsidiary undertakings**

The following were directly owned subsidiary undertakings of the Company as at 31 December 2019:

Name	Class of shares	Holding
Caring Dentistry Limited	Ordinary	100%
Smile Lincs Limited	Ordinary	100%

The registered office for the subsidiary undertakings is Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

### **14. Stocks**

	2019 £	2018 £
Raw materials and consumables	193,391	163,709
Finished goods and goods for resale	40,130	47,242
	<u>233,521</u>	<u>210,951</u>

**APEX DENTAL CARE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**15. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	597,854	548,961
Amounts owed by group undertakings	11,344,233	10,116,846
Other debtors	356,239	170,049
Prepayments and accrued income	175,444	154,555
	<u>12,473,770</u>	<u>10,990,411</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

**16. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	602,037	537,154
Amounts owed to group undertakings	22,381,662	20,937,064
Other taxation and social security	308	-
Other creditors	20,630	33,561
Accruals and deferred income	1,577,807	1,242,494
	<u>24,582,444</u>	<u>22,750,273</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**17. Deferred taxation**

	2019 £	2018 £
At beginning of year	47,708	43,395
Charged to profit or loss	15,738	4,313
<b>At end of year</b>	<u>63,446</u>	<u>47,708</u>

# **APEX DENTAL CARE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

### **17. Deferred taxation (continued)**

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	121,448	105,710
Tax losses carried forward	(52,902)	(52,902)
Provisions	5,100	5,100
	<u>63,446</u>	<u>47,708</u>

### **18. Provisions**

	Onerous lease provision £
At 1 January 2019	50,000
Utilised in year	(50,000)
At 31 December 2019	<u>-</u>

### **19. Share capital**

	2019 £	2018 £
Allotted, called up and fully paid		
100,000 (2018 - 100,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

### **20. Reserves**

#### **Profit and loss account**

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

### **21. Contingent liabilities**

Under a group registration, the Company is jointly and severally liable for Value Added Tax due by certain other Bupa Group undertakings.

## APEX DENTAL CARE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 22. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £74,036 (2018 - £63,677). At the year end, there were outstanding contributions of £nil (2018 - £nil).

#### 23. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	187,770	231,764
Later than 1 year and not later than 5 years	537,617	670,005
Later than 5 years	741,629	1,011,350
	<u>1,467,016</u>	<u>1,913,119</u>

#### 24. Ultimate parent company and controlling party

The Company's immediate parent company is Xeon Smiles UK Limited, a company incorporated in England and Wales. The Company's ultimate parent undertaking is The British United Provident Association Limited, a company incorporated in England and Wales.

The smallest group for which group financial statements will be prepared is The Oasis Healthcare Group Limited. The largest group for which group financial statements will be prepared is The British United Provident Association Limited. The financial statements of The British United Provident Association Limited may be obtained from its registered office at 1 Angel Court, London, EC2R 7HJ.

The financial statements of The Oasis Healthcare Group Limited may be obtained from its registered office at Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

## APEX DENTAL CARE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 25. Post balance sheet events

On March 11 2020, the World Health Organization declared Coronavirus COVID-19 a pandemic, due to its rapid spread throughout the world. Most governments are taking restrictive measures to contain the spread and the situation is significantly affecting the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in the volatility of asset prices, exchange rates and a decrease in long-term interest rates.

As the implications of COVID-19 are indicative of conditions that arose after the end of the reporting period end, it is a subsequent event that does not require any adjustments to the annual accounts for the financial year 2019. Whilst it is not possible, at this stage, to accurately estimate the financial impacts of this crisis, the Directors note, as at the date of approval of these financial statements that there have been *operational disruptions to the business with most practices only able to offer telephone triage and emergency dental treatment*, whilst 20 of our practices in Ireland are closed. In order to mitigate the financial impact of COVID-19, the Directors have implemented various cost savings in the Group, such as reducing travel costs, undertaking rental negotiations and obtaining rates relief. As at the date of approval of these financial statements, it is not currently considered that there are any significant doubts over the Company's ability to continue as a going concern for at least a year from the date of approval of these financial statements as there is on-going support from our parent company. We continue to monitor our business for potential impacts and to manage the associated risks.