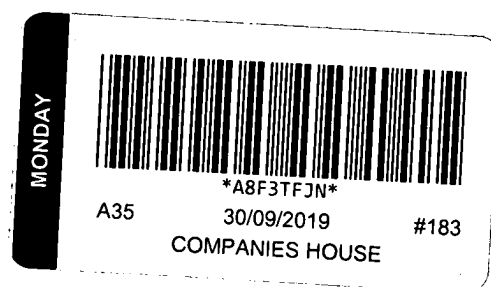


Registered number: 6258724

## UME DIAGNOSTICS LIMITED

Directors' Report and Financial Statements

For the Year Ended 31 December 2018



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**UME DIAGNOSTICS LIMITED**

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**Company Information**

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<b>Director</b>	N Bird
<b>Registered number</b>	6258724
<b>Registered office</b>	27 Harley Street London W1G 9QP
<b>Bankers</b>	HSBC Bank plc 9 The Boulevard Crawley West Sussex RH10 1UT
<b>Independent auditors</b>	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD

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**UME DIAGNOSTICS LIMITED**

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## UME DIAGNOSTICS LIMITED

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### Directors' Report For the Year Ended 31 December 2018

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The Directors present their report and the financial statements for the year ended 31 December 2018.

#### Principal activity

The principal activity of the Company is to act as an intermediate holding and management services company to UME Group's medical diagnostics business.

#### Directors

The Directors who served during the year were:

M Tromb (appointed 4 January 2018, resigned 20 May 2019)

N Bird (appointed 18 January 2018)

K Miller (resigned 8 January 2018)

S El Seif (resigned 8 January 2018)

#### Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

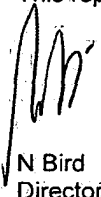
#### Auditors

The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 20 September 2019 and signed on its behalf.



N Bird  
Director

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## **UME DIAGNOSTICS LIMITED**

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### **Directors' Responsibilities Statement For the Year Ended 31 December 2018**

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The Directors are responsible for preparing the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UME DIAGNOSTICS LIMITED**

### **Opinion**

We have audited the financial statements of UME Diagnostics Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statements of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and of the parent company's affairs as at 31 December 2018 and of the group's loss 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 group and parent 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **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. Our opinion on the group and parent company 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other

information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 group and the parent company and their 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, the directors are responsible for the preparation of the group and parent company 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 group and parent company financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

*pkf littlejohn*  
**Timothy Herbert (Senior Statutory Auditor)**  
**For and on behalf of PKF Littlejohn LLP**  
**Statutory Auditor**

15 Westferry Circus  
Canary Wharf  
London E14 4HD

*30<sup>th</sup> September 2019*



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**UME DIAGNOSTICS LIMITED**

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**Consolidated Statement of Comprehensive Income  
For the Year Ended 31 December 2018**

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	Note	2018 £	2017 £
Turnover		4,835,611	4,207,339
Cost of sales		(1,609,326)	(1,212,205)
<b>Gross profit</b>		<b>3,226,285</b>	<b>2,995,134</b>
Administrative expenses		(4,425,726)	(3,914,861)
Exceptional administrative expenses	7	393,699	6,209,897
Share of operating profit in joint ventures		211,369	193,178
<b>Operating (loss)/profit</b>		<b>(594,373)</b>	<b>5,483,348</b>
Interest receivable and similar income	4	12,070	106
Interest payable and expenses	5	(28,268)	(2,728,022)
<b>(Loss)/profit before tax</b>		<b>(610,571)</b>	<b>2,755,432</b>
Tax on (loss)/profit	6	(7,455)	1,923
<b>(Loss)/profit for the financial year</b>		<b>(618,026)</b>	<b>2,757,355</b>

The notes on pages 13 to 26 form part of these financial statements.

**UME DIAGNOSTICS LIMITED**  
Registered number: 6258724

**Consolidated Balance Sheet**  
**As at 31 December 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	8	1,886,336	2,416,743
Tangible fixed assets	9	1,225,607	1,438,403
Fixed asset investments	10	366,374	402,777
		<u>3,478,317</u>	<u>4,257,923</u>
<b>Current assets</b>			
Debtors due within 1 year	11	1,334,354	1,162,423
Debtors due after more than 1 year	11	95,000	-
Cash at bank and in hand		104,363	202,069
Creditors: amounts falling due within one year	12	(768,335)	(636,204)
<b>Net current assets</b>		<u>765,382</u>	<u>728,288</u>
<b>Total assets less current liabilities</b>		<u>4,243,699</u>	<u>4,986,211</u>
Creditors: amounts falling due after more than one year	13	(5,277)	(129,763)
<b>Net assets</b>		<u><u>4,238,422</u></u>	<u><u>4,856,448</u></u>
<b>Capital and reserves</b>			
Called up share capital	15	25,000,000	25,000,000
Other reserves	16	41,006,555	41,006,555
Profit and loss account	16	(61,768,133)	(61,150,107)
		<u><u>4,238,422</u></u>	<u><u>4,856,448</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 September 2019.

  
**N Bird**  
Director

The notes on pages 13 to 26 form part of these financial statements.

**UME DIAGNOSTICS LIMITED**  
Registered number: 6258724

**Company Balance Sheet**  
**As at 31 December 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	9	193,813	83,802
Investments	10	8,597,678	8,597,678
		<u>8,791,491</u>	<u>8,681,480</u>
<b>Current assets</b>			
Debtors	11	62,329	86,713
Cash at bank and in hand		8,670	-
		<u>70,999</u>	<u>86,713</u>
Creditors: amounts falling due within one year	12	(105,068)	(1,860,990)
<b>Net current liabilities</b>		<u>(34,069)</u>	<u>(1,774,277)</u>
<b>Total assets less current liabilities</b>		<u>8,757,422</u>	<u>6,907,203</u>
<b>Net assets</b>		<u>8,757,422</u>	<u>6,907,203</u>
<b>Capital and reserves</b>			
Called up share capital	15	25,000,000	25,000,000
Other reserves	16	41,006,555	41,006,555
Profit and loss account	16	(57,249,133)	(59,099,352)
		<u>8,757,422</u>	<u>6,907,203</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 September 2019.

  
N Bird  
Director

The notes on pages 13 to 26 form part of these financial statements.

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**UME DIAGNOSTICS LIMITED**

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**Consolidated Statement of Changes in Equity  
For the Year Ended 31 December 2018**

---

	Called up share capital	Other reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	25,000,000	41,006,555	(61,150,107)	4,856,448
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(618,026)	(618,026)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	-	(618,026)	(618,026)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2018</b>	<b>25,000,000</b>	<b>41,006,555</b>	<b>(61,768,133)</b>	<b>4,238,422</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 13 to 26 form part of these financial statements.

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**UME DIAGNOSTICS LIMITED**

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**Consolidated Statement of Changes in Equity  
For the Year Ended 31 December 2017**

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	Called up share capital	Other reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	25,000,000	11,189,613	(63,907,462)	(27,717,849)
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	2,757,355	2,757,355
Write-back of parent loan notes	-	29,517,918	-	29,517,918
Write-back of other sub loan notes	-	299,024	-	299,024
<b>Other comprehensive income for the year</b>	-	29,816,942	-	29,816,942
<b>Total comprehensive income for the year</b>	-	29,816,942	2,757,355	32,574,297
<b>At 31 December 2017</b>	<b>25,000,000</b>	<b>41,006,555</b>	<b>(61,150,107)</b>	<b>4,856,448</b>

The notes on pages 13 to 26 form part of these financial statements.

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**UME DIAGNOSTICS LIMITED**

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**Company Statement of Changes in Equity  
For the Year Ended 31 December 2018**

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	Called up share capital	Other reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	25,000,000	41,006,555	(59,099,352)	6,907,203
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,850,219	1,850,219
<b>Total comprehensive income for the year</b>	-	-	1,850,219	1,850,219
<b>At 31 December 2018</b>	<b>25,000,000</b>	<b>41,006,555</b>	<b>(57,249,133)</b>	<b>8,757,422</b>

The notes on pages 13 to 26 form part of these financial statements.

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**UME DIAGNOSTICS LIMITED**

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**Company Statement of Changes in Equity  
For the Year Ended 31 December 2017**

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	Called up share capital	Other reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	25,000,000	11,189,613	(61,641,259)	(25,451,646)
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	2,541,907	2,541,907
Write-back of parent loan notes	-	29,517,918	-	29,517,918
Write-back of other sub loan notes	-	299,024	-	299,024
<b>Other comprehensive income for the year</b>	-	29,816,942	-	29,816,942
<b>Total comprehensive income for the year</b>	-	29,816,942	2,541,907	32,358,849
<b>At 31 December 2017</b>	<b>25,000,000</b>	<b>41,006,555</b>	<b>(59,099,352)</b>	<b>6,907,203</b>

The notes on pages 13 to 26 form part of these financial statements.

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## UME DIAGNOSTICS LIMITED

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### Notes to the Financial Statements For the Year Ended 31 December 2018

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#### 1. General information

UME Diagnostics Limited ("the Company") is a private company limited by shares and is incorporated and domiciled in England. The registered office during the period was 27 Harley Street, London W1G 9QP. The financial statements are presented in sterling, which is the functional currency of the Company.

#### 2. Accounting policies

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

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

##### Parent Company disclosure exemptions

In preparing the separate financial statements of the parent *Company*, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented as the reconciliation for the Group and the parent *Company* would be identical;
- No Statement of Cash Flows has been presented for the parent *Company*;
- Disclosures in respect of the parent *Company's* financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent *Company* as their remuneration is included in the totals for the Group as a whole.

The following principal accounting policies have been applied:



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## **UME DIAGNOSTICS LIMITED**

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### **Notes to the Financial Statements For the Year Ended 31 December 2018**

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

##### **2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2015.

##### **2.3 Going concern**

The directors have taken into consideration the underlying cashflows expected over a period of at least twelve months from the date of signing of this report together with the available support offered by the Company's parent undertaking, and have determined that the Company is able to continue as a going concern.

##### **2.4 Turnover**

Turnover represents the amounts (excluding value added tax and net of discounts given) derived from the provision of diagnostics imaging and outpatient services, rental income, and income from a revenue sharing arrangement related to a subletting agreement.

##### **2.5 Pensions**

The amount charged to the Profit and Loss account in respect of pension costs during the year relates to the contributions made to defined contribution schemes on behalf of employees..

**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**2. Accounting policies (continued)**

**2.6 Taxation**

Tax is recognised in the Consolidated 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 and the Group operate and generate income.

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

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

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

**2.7 Exceptional items**

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

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## UME DIAGNOSTICS LIMITED

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### Notes to the Financial Statements For the Year Ended 31 December 2018

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## 2. Accounting policies (continued)

### 2.8 Intangible assets

#### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

#### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

### 2.9 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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:

Leasehold improvements	- shorter of the length of the lease and expected useful life
Medical equipment	- 5 - 8 Years
Fixtures & fittings	- 3 - 5 Years

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 Consolidated Statement of Comprehensive Income.

### 2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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## UME DIAGNOSTICS LIMITED

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### Notes to the Financial Statements For the Year Ended 31 December 2018

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#### 2. Accounting policies (continued)

##### 2.11 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Balance Sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

#### 3. Employees

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

	2018 No.	2017 No.
Administration	4	7

#### 4. Interest receivable and similar income

	2018 £	2017 £
Other interest receivable	12,070	106

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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**5. Interest payable and similar expenses**

	2018 £	2017 £
Bank interest payable	18,653	-
Interest payable on loans from group undertakings	-	2,710,631
Interest on obligations under finance leases and hire purchase contracts	9,615	17,391
	<u>28,268</u>	<u>2,728,022</u>

**6. Taxation**

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	15,479	4,719
Adjustments in respect of previous periods	(6,704)	(6,537)
	<u>8,775</u>	<u>(1,818)</u>
<b>Total current tax</b>	<u>8,775</u>	<u>(1,818)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,320)	(105)
<b>Total deferred tax</b>	<u>(1,320)</u>	<u>(105)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>7,455</u>	<u>(1,923)</u>

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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**6. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
(Loss)/profit on ordinary activities before tax	<b>(610,571)</b>	2,755,432
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	<b>(116,008)</b>	530,421
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>107,419</b>	(601,678)
Capital allowances for year in excess of depreciation	<b>(18,234)</b>	(17,202)
Tax losses not utilised / (utilised)	<b>63,048</b>	(104,741)
Adjustments to tax charge in respect of prior periods	<b>(6,704)</b>	(6,536)
Short term timing difference leading to an increase (decrease) in taxation	<b>1,007</b>	-
Special factors affecting joint-ventures and associates leading to an increase (decrease) in the tax charge	<b>(37,231)</b>	65,186
Group and consortium relief not paid for	<b>15,478</b>	132,732
Deferred tax credit relating to timing differences	<b>(1,320)</b>	(105)
<b>Total tax charge for the year</b>	<b>7,455</b>	<b>(1,923)</b>

**Factors that may affect future tax charges**

The rate of UK corporation tax is scheduled to reduce to 17% from 1 April 2020.

**7. Exceptional items**

	2018 £	2017 £
Write back of intercompany loans	<b>393,699</b>	6,209,897

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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**8. Intangible assets****Group**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2018	21,540,386
At 31 December 2018	<u>21,540,386</u>
<b>Amortisation</b>	
At 1 January 2018	19,123,643
Charge for the year	530,407
At 31 December 2018	<u>19,654,050</u>
<b>Net book value</b>	
At 31 December 2018	<u>1,886,336</u>
At 31 December 2017	<u>2,416,743</u>

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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**9. Tangible fixed assets****Group**

	Medical equipment £	Fixtures & fittings £	Leashold imp £	Total £
<b>Cost or valuation</b>				
At 1 January 2018	4,391,498	891,422	2,572,615	7,855,535
Additions	42,402	212,271	158,656	413,329
At 31 December 2018	4,433,900	1,103,693	2,731,271	8,268,864
<b>Depreciation</b>				
At 1 January 2018	3,697,500	742,088	1,977,545	6,417,133
Charge for the year on owned assets	82,787	102,359	86,487	271,633
Charge for the year on financed assets	212,250	-	142,241	354,491
At 31 December 2018	3,992,537	844,447	2,206,273	7,043,257
<b>Net book value</b>				
At 31 December 2018	441,363	259,246	524,998	1,225,607
At 31 December 2017	693,998	149,335	595,070	1,438,403

**Finance leases**

Included in the total net book value of fixed assets is £150,759 (2017 - £363,009) held under finance leases by Med-Tel UK Limited and used by Harley Street Medical Centre LLP, on reciprocal terms to those which exist between Med-Tel UK Limited and the leasing company.



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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**9. Tangible fixed assets (continued)****Company**

	<b>Office equipment £</b>
<b>Cost or valuation</b>	
At 1 January 2018	676,690
Additions	188,015
At 31 December 2018	<u>864,705</u>
<b>Depreciation</b>	
At 1 January 2018	592,888
Charge for the year on owned assets	78,004
At 31 December 2018	<u>670,892</u>
<b>Net book value</b>	
At 31 December 2018	<u><u>193,813</u></u>
At 31 December 2017	<u><u>83,802</u></u>

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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**10. Investments held as fixed assets****Group**

	<b>Investment in joint ventures £</b>
<b>Cost or valuation</b>	
At 1 January 2018	402,777
Revaluations	(36,403)
At 31 December 2018	<u>366,374</u>
<b>Net book value</b>	
At 31 December 2018	<u>366,374</u>
At 31 December 2017	<u>402,777</u>

**Company**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 January 2018	54,918,922
At 31 December 2018	<u>54,918,922</u>
<b>Impairment</b>	
At 1 January 2018	46,321,244
At 31 December 2018	<u>46,321,244</u>
<b>Net book value</b>	
At 31 December 2018	<u>8,597,678</u>
At 31 December 2017	<u>8,597,678</u>

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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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**10. Investments held as fixed assets (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Med-Tel UK Limited	27 Harley Street London W1G 9QP	Member	100%
Harley Street Medical Centre LLP	27 Harley Street London W1G 9QP	Partner	50%
Meriden Hospital Advanced Imaging Centre Limited	1st Floor 30 Cannon St London EC4M 6AH	Member	50%

**11. Debtors**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
<b>Due after more than one year</b>				
Other debtors	<b>95,000</b>	-	-	-
<b>Due within one year</b>				
Trade debtors	<b>965,638</b>	690,838	-	-
Amounts owed by group undertakings	-	17,940	<b>14,904</b>	18,804
Other debtors	<b>70,068</b>	161,049	-	1,876
Prepayments and accrued income	<b>298,648</b>	292,596	<b>47,425</b>	66,033
	<b>1,429,354</b>	1,162,423	<b>62,329</b>	86,713

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**UME DIAGNOSTICS LIMITED**

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**Notes to the Financial Statements  
For the Year Ended 31 December 2018**

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

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Bank overdrafts	-	-	-	1,745,394
Trade creditors	<b>320,117</b>	264,311	<b>21,215</b>	59,051
Amounts owed to group undertakings	<b>164,830</b>	-	-	-
Other taxation and social security	<b>46,806</b>	44,928	<b>43,794</b>	44,928
Obligations under finance lease and hire purchase contracts	<b>124,486</b>	223,114	-	-
Other creditors	<b>38,370</b>	37,698	<b>26,559</b>	-
Accruals and deferred income	<b>73,726</b>	66,153	<b>13,500</b>	11,617
	<b>768,335</b>	636,204	<b>105,068</b>	1,860,990

**13. Creditors: Amounts falling due after more than one year**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>
Net obligations under finance leases and hire purchase contracts	<b>5,277</b>	129,763

**14. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	<b>Group 2018 £</b>	<b>Group 2017 £</b>
Within one year	<b>124,486</b>	223,114
Between 1-5 years	<b>5,277</b>	129,763
	<b>129,763</b>	352,877

**15. Share capital**

	<b>2018 £</b>	<b>2017 £</b>
<b>Allotted, called up and fully paid</b>		
25,000,000 (2017 - 25,000,000) Ordinary shares of £1 each	<b>25,000,000</b>	25,000,000

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## UME DIAGNOSTICS LIMITED

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### Notes to the Financial Statements For the Year Ended 31 December 2018

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#### 16. Reserves

##### Other reserves

Other reserves relate to a capital redemption reserve, which represents 1) The difference between loan notes issued to parent company United Medical Enterprises Group LLP and the restated value on the date of transition to FRS 102, and 2) The value of these loan notes and of those issued to fellow subsidiary UME Diagnostic Management Company Limited which were written off by lenders during the prior year.

#### 17. Commitments under operating leases

At 31 December 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2018 £</b>	<b>Group 2017 £</b>
Later than 1 year and not later than 5 years	<b>1,356,615</b>	1,498,385
	<b><u>1,356,615</u></b>	<b><u>1,498,385</u></b>

#### 18. Related party transactions

The company has taken advantage of the exemption in FRS 102 paragraph 33.1A from disclosing transactions with other members of the group.

#### 19. Parent and ultimate parent undertaking

The Company's immediate parent is United Medical Enterprises Group LLP, a Limited Liability Partnership incorporated in England and Wales, which is the smallest group in which the results of the Company are consolidated. Copies of United Medical Enterprises Group LLP financial statements are available from Companies House, Crown Way, Cardiff CF14 3UZ.

The ultimate parent is United Medical Enterprises Group Limited (BC 343764), incorporated in the British Virgin Islands. This company is the largest group in which the results of the company are consolidated.