

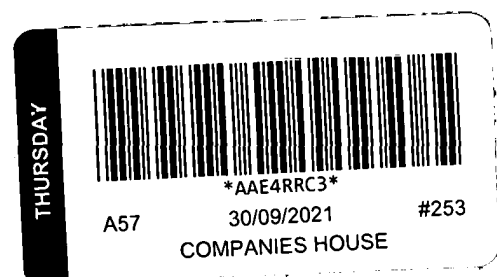
Registered number: 06280242

PHOENIX PRIMARY CARE LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



PHOENIX PRIMARY CARE LIMITED

COMPANY INFORMATION

Directors	E Perry (appointed 29 March 2021) N Harding
Registered number	06280242
Registered office	Rose House Bell Lane, Office Village Bell Lane Little Chalfont Amersham Buckinghamshire, HP6 6FA

PHOENIX PRIMARY CARE LIMITED

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PHOENIX PRIMARY CARE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

Results and dividends

The loss for the year, after taxation, amounted to £31k (2019: nil).

The directors do not recommend the payment of a dividend in respect of the period (2019: nil).

Directors

The directors who served during the year were:

E Perry (appointed 29 March 2021)

N Harding

S Jones (resigned 30 March 2021)

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 and signed on its behalf.



E Perry

Director

27th September 2021

PHOENIX PRIMARY CARE LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of their profit or loss for that period. In preparing each of the Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

PHOENIX PRIMARY CARE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £000	2019 £000
Turnover		—	—
Gross profit		—	—
Administrative expenses		—	—
Operating profit		—	—
Amounts written off intercompany loans		—	—
Profit before tax		—	—
Tax on profit	3	(31)	—
Loss for the financial year		(31)	—
Other comprehensive loss for the year		—	—
Total comprehensive loss for the year		(31)	—

PHOENIX PRIMARY CARE LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £000	2019 £000
Current assets			
Debtors	4	5,026	4,923
Cash at bank and in hand	5	30	128
		<u>5,056</u>	<u>5,051</u>
Creditors: amounts falling due within one year	6	(2,607)	(2,571)
Net current assets		<u>2,449</u>	<u>2,480</u>
Total assets less current liabilities		<u>2,449</u>	<u>2,480</u>
Net assets		<u>2,449</u>	<u>2,480</u>
Capital and reserves			
Called up share capital	8	1	1
Other reserves	9	1	1
Profit and loss account	9	2,447	2,478
		<u>2,449</u>	<u>2,480</u>

PHOENIX PRIMARY CARE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 January 2019	1	1	2,478	2,480
Comprehensive income (loss) for the year				
Profit (loss) for the year	—	—	—	—
At 1 January 2020	1	1	2,478	2,480
Comprehensive income (loss) for the year				
Profit (loss) for the year	—	—	(31)	(31)
At 31 December 2020	1	1	2,447	2,449

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 Companies Act 2006.

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

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



E Perry
Director

27th September 2021

The notes on pages 6 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Phoenix Primary Care Limited is a private company, limited by share capital, incorporated in the United Kingdom and registered in England and Wales under company number: 06280242. The registered office is Rose House Bell Lane, Office Village, Bell Lane, Little Chalfont, Amersham, Buckinghamshire, HP6 6FA.

The financial information set out in these financial statements comprises the Company's statutory accounts for the years ended 31 December 2020 and 2019.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The Company's functional and presentational currency is GBP.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 Going concern

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

As disclosed within the audited accounts of the parent company, MH Services International Holdings (UK) Limited, these financial statements have been prepared on a going concern basis, which the directors consider to be appropriate for the following reasons:

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.4 Financial instruments**

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

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

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

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

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

2.5 Pensions**Defined contribution pension plan**

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

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

PHOENIX PRIMARY CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.6 Current and deferred taxation

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

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

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

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

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

PHOENIX PRIMARY CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Taxation

	2020	2019
	£000	£000
Current tax		
Current tax on loss for the year	—	—
Adjustments in respect of previous periods	—	—
Total current tax	<u>—</u>	<u>—</u>
Deferred tax		
Origination and reversal of timing differences	34	—
Adjustments in respect of prior periods	(3)	—
Total deferred tax	<u>31</u>	<u>—</u>
Total tax charge (credit)	<u>31</u>	<u>—</u>

Factors affecting tax charge for the year

The tax assessed for the year is greater than (2019: equal to) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020	2019
	£000	£000
Profit on ordinary activities before tax	—	—
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	—	—
Effects of:		
Remeasurement of deferred tax for changes in tax rates	(14)	—
Deferred tax not recognised	45	—
Total tax charge (credit) for the year	<u>31</u>	<u>—</u>

Factors that may affect future tax charges

At 31 December 2020, there were trading losses of £547k (2019: £524k) to be used against future trading profits.

PHOENIX PRIMARY CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Debtors

	2020	2019
	£000	£000
Due within one year		
Trade debtors	—	6
Amounts owed from group undertakings	5,026	4,886
Deferred tax asset	—	31
	<u>5,026</u>	<u>4,923</u>

5. Cash and cash equivalents

	2020	2019
	£000	£000
Cash at bank and in hand	30	128
	<u>30</u>	<u>128</u>

6. Creditors: Amounts falling due within one year

	2020	2019
	£000	£000
Accruals and deferred income	155	157
Amounts owed to group undertakings	2,453	2,414
	<u>2,608</u>	<u>2,571</u>

7. Deferred taxation

	2020	2019
	£000	£000
At beginning of year	31	32
Charged to profit or loss	(31)	—
Utilised in year	—	(1)
At end of year	<u>—</u>	<u>31</u>

The deferred tax asset is made up as follows:

	2020	2019
	£000	£000
Accelerated capital allowances	—	31
	<u>—</u>	<u>31</u>

PHOENIX PRIMARY CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
585 Ordinary shares at £1 each	<u>585</u>	<u>585</u>
	<u>585</u>	<u>585</u>

9. Reserves

Other reserves

Other reserves consist of the nominal value of shares repurchased by the Company. These reserves are classified as distributable.

Profit and loss account

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

10. Pension commitments

	2020	2019
	£000	£000
Defined contribution pension scheme contributions paid during the year	—	—
Defined contribution pension scheme pension contributions payable at year-end	<u>157</u>	<u>157</u>

11. Related party transactions

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

Transactions with non wholly owned group members were as follows:

Year ended 31 December 2020

	Sales	Purchases	Cash Transfers	Debtors	Creditors
	£000	£000	£000	£000	£000
Operose Health (Group) Limited	—	—	—	—	(93)
Operose Health (Group) UK Limited	—	—	—	—	(20)
Chilvers & McCrea Limited	—	(9)	—	—	(1,990)
The Practice Surgeries Limited	459	(488)	—	—	(350)
Operose Health Corporate Management Limited	204	(480)	73	2,212	—
Phoenix Primary Care (South) Limited	—	(6)	—	2,814	—
	<u>663</u>	<u>(983)</u>	<u>73</u>	<u>5,026</u>	<u>(2,453)</u>

PHOENIX PRIMARY CARE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Related party transactions (continued)

Year ended 31 December 2019

	Sales	Purchases	Cash Transfers	Debtors	Creditors
	£000	£000	£000	£000	£000
Operose Health (Group) Limited	66	(162)	—	—	(93)
Operose Health (Group) UK Limited	—	(32)	—	—	(20)
Chilvers & McCrea Limited	—	(1,981)	—	—	(1,981)
The Practice Surgeries Limited	6,345	(12,623)	—	—	(320)
Operose Health Corporate Management Limited	2,464	(2,504)	680	2,066	—
Phoenix Primary Care (South) Limited	2,865	(94)	15	2,819	—
	<u>11,740</u>	<u>(17,396)</u>	<u>695</u>	<u>4,885</u>	<u>(2,414)</u>

12. Controlling party

The Company's immediate parent is The Practice Surgeries Limited, a company incorporated in England and Wales, which holds the shares and voting rights in the Company.

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

The consolidated accounts of MH Services International Holdings (UK) Limited, which is the smallest group which includes the Company and for which group accounts are prepared can be obtained from its registered office: 77 New Cavendish Street, London, England, W1W 6XB.