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COLOSSEUM DENTAL UK LIMITED
(formerly Southern Dental Limited)

ANNUAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2017

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COMPANY INFORMATION

Directors

P Keegans
R Rattan
G Grant
R Ingham
S Cowley
J Lacerda Angelo

Registered Office

Staverton Court
Staverton
Cheltenham
Gloucestershire
GL51 0UX

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
The Portland Building
25 High Street
Crawley
West Sussex
RH10 1BG

Bankers

Santander UK plc
100 Ludgate Hill
London
EC4M 7RE

**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017**

The directors present their business review for the nine month period ended 31 December 2017. The prior period covers the year ended 31 March 2017.

Business strategy

Colosseum Dental UK Limited (formerly Southern Dental Limited) owns and manages a chain of dental practices in the UK, focussed primarily in the south of England. The Group's practices offer a mixture of NHS and private treatment to patients. The overall revenue mix of 75% NHS and 25% private in the period to 31 December 2017 is consistent with that achieved in the prior year.

The Group was acquired by Jacobs Holding AG ("Jacobs") on 21 April 2017 as part of Jacobs' strategy to build a high quality pan-European dental business. In the period since January 2017, in addition to its UK acquisition, Jacobs has acquired dental businesses in Norway, Sweden, Denmark, Switzerland, Italy and Finland. These businesses all operate within the Jacobs' subsidiary Colosseum Dental Group AS.

Business review

Group operating loss £3,053,000 (2017: loss of £1,166,000) reflects the impact of:

- A short trading period that excludes the traditionally strong revenue generation of the January to March quarter which coincides with the end of the NHS financial year on 31 March.
- Total depreciation, loss on disposal of fixed assets, amortisation and impairment charges of £4,907,000 (2017: £6,929,000).
- Significant investment in the management structure of the business in order to create a management platform capable of delivering significant growth through acquisition.
- Continuing shortages of dentists qualified and available to work in the UK. These shortages have led to increased locum usage in the period under review, with the increased demand for locum dentists being accompanied by increasing locum daily rates.

At 31 December 2017 the Group reported net liabilities of £7,104,000 (2017: net liabilities of £2,481,000). Current liabilities include £46,305,000 (2017: £44,548,000) due to the Group's immediate parent company in respect of the intra-group financing structure.

Future developments

Jacobs is committed to the development of a world class pan-European dental business, and Colosseum Dental UK Limited is a key part of that development. The acquisition business plan includes significant development in both the existing Colosseum Dental UK Limited business (in terms of infrastructure, clinicians and support staff) and in growing the Group through a return to acquisition.

NHS commitment

Colosseum Dental UK Limited is committed to being one of the major providers of NHS and private / independent dentistry in the UK. Our strategy is to provide quality care to all patients via a strong clinical team and in doing so to increase access to services and reduce health inequalities.

Additional services

The Group continues to work closely with the NHS commissioning bodies to increase access for our patients through our practices.

The Group offers the whole range of dental treatments including implants, orthodontics, endodontics, periodontics, sedations, domiciliary, and minor oral surgery on behalf of the NHS.

Investing in quality and compliance

The Group continued to work closely with the Care Quality Commission ('CQC') and NHS England during the period to make sure that we are providing dentistry to a standard defined as "Best Practice". This requires constant improvements to processes and procedures, training of clinical staff and support staff and the upgrading of surgeries, equipment and decontamination rooms.

**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

Investing in quality and compliance (continued)

The Group has a continuous programme of investing in our practices for both compliance and for providing high quality dental care in superb facilities. The Group delivers high levels of compliance with Care Quality Commission standards and the clinical team ensure that appropriate processes and procedures are applied consistently across all our practices.

Principal risks and uncertainties

Regulatory risks

The Group operates in a regulatory environment that encompasses health and safety, quality of care, the storage and distribution of controlled drugs and medicines, the disposal of hazardous waste and data protection. The Group's dental practices are subject to regular review by the Care Quality Commission ('CQC') and could be closed if compliance with CQC guidelines cannot be demonstrated. The Group is able to respond to and comply with regulatory changes through its dedicated clinical compliance team.

Availability of clinicians and qualified staff

The Group requires qualified clinicians, hygienists and nurses in order to care for its patient base. The availability of clinicians and qualified staff, particularly from the UK and Europe is critical to enable the Group to satisfy patient demand and to fulfil NHS contracts. The Group seeks to manage the risk associated with clinician recruitment and retention through offering attractive reward structures, access to training and development programmes and clinical support and mentoring. The decision to withdraw from membership of the EU may impact upon the supply of clinicians from the EU and the Board continue to monitor the situation closely.

NHS England contracts

The Group derives approximately 75% of its revenue from NHS England contracts. These contracts require the Group to deliver at least 96% of the contracted UDA's to prevent breach. Under the terms of the contracts repeated breaches of a contract can lead to that contract being withdrawn. The Board monitor contract delivery closely to ensure that targets are met, and appropriate resource is provided to ensure delivery.

The NHS is currently trialling prototypes of a revised contract, designed to increase the focus on disease prevention rather than treatment delivery. The Board is monitoring the progress of this work to ensure that the Group is properly equipped to adapt to contract changes as and when they are introduced.

Key performance indicators

Key performance indicators (KPIs) include:

EBITDA (Earnings before interest, tax, depreciation, amortisation) on normalised earnings.

Staff retention percentages.

Dentist retention percentages.

NHS activity performance against contract.

The directors consider these ratios to be commercially sensitive. As a consequence of this sensitivity, the ratios are not published in this report.

This Strategic Report was approved by the Board on 27 June 2018. On behalf of the Board



Gregor Grant
Director
27 June 2018

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017**

The directors present their report and consolidated audited financial statements of Colosseum Dental UK Limited ('the Company') for the nine month period ended 31 December 2017. The prior period covers the year ended 31 March 2017.

Principal activity

The principal activity of the Company during the period was to act as a holding company. The principal activity of the group of companies owned by Colosseum Dental UK Limited ("the Group") is the operation of dental practices.

The Group provides a range of NHS and private dental services from practices typically located in the South of England.

Future developments

Details of the Group's future developments are provided in the Strategic Report on page 3.

Name Change

With effect from 1 March 2018 the name of the company was changed from Southern Dental Limited to Colosseum Dental UK Limited.

Dividends

There were no dividends paid in the period under review (2017: £nil).

Results

The loss for the financial period was £4,623,000 (2017: loss of £3,084,000). This loss is after charging depreciation, loss on disposal of assets, amortisation and impairment charges of £4,907,000 (2017: £6,929,000), and net finance costs of £1,756,000 (2017: £2,166,000). Further details of the Group's financial performance during the period are provided in the Strategic Report.

Directors

The directors who held office during the period and up to the date of signing the financial statements, unless otherwise stated, were:

P Keegans (Appointed 21 April 2017)
R Rattan (Appointed 21 April 2017)
G Grant (Appointed 21 April 2017)
R Ingham (Appointed 21 April 2017)
S Cowley (Appointed 21 April 2017)
J Lacerda Angelo (Appointed 21 April 2017)

Dr M Eyrumlu (DDS) (Resigned 21 April 2017)
Dr A Eyrumlu (DDS) (Resigned 21 April 2017)
Dr H Shakir (DDS) (Resigned 21 April 2017)

Employees

Colosseum Dental UK Limited is grateful to have a great team of high quality and hardworking dentists, hygienists, nurses, receptionists, managers and support staff.

During the course of the period the Company has provided information on the development of the business and its financial performance through a number of mechanisms, including regular practice manager meetings, the introduction of a regular newsletter, and the group wide intranet. In April 2018 the company held its first company-wide conference.

We continue to engage with our dentists and other clinical staff by providing them induction, audits, hands on training and through continuing professional development to ensure quality of our services. By providing our practice with a strong and robust support structure this will enable our dentists and other clinical staff to do what they do best - providing high quality dental care at all times.

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

Employees (continued)

All practical arrangements are made to accommodate disabled persons into employment. Should an employee become disabled whilst in the Company's employment every effort is taken to retain and/or transfer to alternative jobs as appropriate. All employees, regardless of disabilities are eligible for appropriate training, career development and promotion opportunities.

Going concern

The directors believe that preparing the financial statements on a going concern basis is appropriate. As at the statement of financial position date the Group was financed by intra-group loans from Tempire Investments Limited. Tempire Investments Limited and its holding companies were in turn financed by intra-group loans from Colosseum Dental Group AS. The directors have considered the cash flow forecasts of the Group for a period of 12 months from the date of approval of the financial statements and have received assurance from Colosseum Dental Group AS that they will not seek repayment of the intra-group funding provided. On this basis, the directors have concluded that they have a reasonable expectation that the Group will continue in operational existence for the foreseeable future and therefore continue to apply the going concern basis in the preparation of the annual financial statements.

Financial instruments

Objectives and policies

The Group finances its operations largely through intra-group lending from Colosseum Dental Group AS. Colosseum Dental Group AS in turn use various financial instruments in the form of cash, third-party bank debt and other items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to fund the broader Group's operations. The interest rate risk that relates to the third party bank debt is managed by Colosseum Dental Group.

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations. The nature of the Group's contracts with NHS England means that credit risk is minimised for a significant proportion of the Group's revenue. The patient's contribution to NHS charges is usually collected before treatment in order to minimise risk to the Group. Payment is also requested in advance for major courses of private treatment.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017 (Continued)**

Disclosure of information to the auditors

In the case of each director in office at the date the Directors' Report is approved:

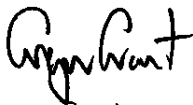
- so far as the director is aware, there is no relevant audit information of which the Group and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the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

Appointment of auditors

A resolution to reappoint PricewaterhouseCoopers LLP as the Company's auditors will be proposed at the next annual general meeting.

This report was approved by the board on 27 June 2018.

On behalf of the Board:



Gregor Grant
Director
27 June 2018

Independent auditors' report to the members of Colosseum Dental UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Colosseum Dental UK Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2017 and of the group's loss and cash flows for the 39 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the consolidated statement of financial position and company statement of financial as at 31 December 2017; the consolidated income statement and consolidated statement of comprehensive income, the consolidated statement of changes in equity and company statement of changes in equity, the consolidated statement of cash flows for the period ended 31 December 2017; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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 and 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Colosseum Dental UK Limited (continued)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Michael Jones (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick
27 June 2018

**CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2017**

		Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
	Note		
Revenue	2	33,581	48,608
Cost of sales		(17,809)	(25,296)
Gross profit		15,772	23,312
Administrative expenses:			
Before exceptional expenses		(18,923)	(24,228)
Exceptional administrative expenses		-	(376)
Total administrative expenses		(18,923)	(24,604)
Other operating income		98	126
Operating loss	3	(3,053)	(1,166)
Finance income	6	3	30
Finance costs	7	(1,759)	(2,196)
Net interest expense		(1,756)	(2,166)
Loss before taxation		(4,809)	(3,332)
Tax on loss	8	186	248
Loss for the financial period / year		(4,623)	(3,084)

The Company has elected to take the exemption under section 408 of The Companies Act 2006 not to present a Company Income Statement.

The loss for the period is attributable to the owners of the parent.

The results above relate to continuing operations.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2017**

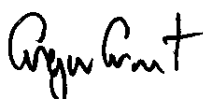
	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Loss for the financial period / year	(4,623)	(3,084)
Total comprehensive expense for the period / year	(4,623)	(3,084)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	Note	31 December 2017 £'000	31 March 2017 £'000
Non-current assets			
Intangible assets	9	22,015	25,758
Property, plant and equipment	10	5,332	4,705
Deferred taxation	17	532	346
		27,879	30,809
Current assets			
Inventories	12	443	316
Trade and other receivables	13	20,169	19,185
Cash at bank and in hand		1,256	974
		21,868	20,475
Trade and other payables: amounts falling due within one year	14	(56,839)	(53,750)
Net current liabilities		(34,971)	(33,275)
Total assets less current liabilities		(7,092)	(2,466)
Trade and other payables: amounts falling due after more than one year	15	(12)	(15)
Net liabilities		(7,104)	(2,481)
Equity			
Called up share capital	18	2	2
Share premium reserve		3,958	3,958
Capital distribution account		(1,409)	(1,409)
Other reserves		296	296
Accumulated losses		(9,951)	(5,328)
Total equity		(7,104)	(2,481)

The notes form an integral part of these financial statements.

The Group financial statements on pages 10 to 34 were approved by the Board of Directors on 27 June 2018 and signed on its behalf by:



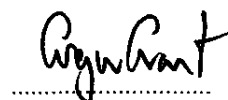
Gregor Grant
Director

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

		31 December 2017 £'000	31 March 2017 £'000
Non-current assets	Note		
Intangible assets	9	117	147
Property, plant and equipment	10	318	345
Investments	11	10,073	10,073
Deferred taxation	17	40	15
		10,548	10,580
Current assets			
Inventories	12	-	-
Trade and other receivables	13	17,257	16,811
Cash at bank and in hand		968	415
		18,225	17,226
Trade and other payables: amounts falling due within one year	14	(61,983)	(55,842)
Net current liabilities		(43,758)	(38,616)
Total assets less current liabilities		(33,210)	(28,036)
Trade and other payables: amounts falling due after more than one year	15	(12)	(15)
Net liabilities		(33,222)	(28,051)
Equity			
Called up share capital	18	2	2
Share premium account		3,958	3,958
Other reserves		296	296
Accumulated losses			
At 1 April		(32,307)	(25,084)
Loss for the period attributable to the owners		(5,171)	(7,223)
		(37,478)	(32,307)
Total equity		(33,222)	(28,051)

The notes form an integral part of these financial statements.

The Group financial statements on pages 10 to 34 were approved by the Board of Directors on 27 June 2018 and signed on its behalf by:



Gregor Grant
Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Called up share capital £'000	Share premium account £'000	Capital distribution account £'000	Other reserves £'000	Accumulated losses £'000	Total equity £'000
Balance as at 1 April 2016	2	3,958	(1,409)	296	(2,244)	603
Loss for the financial year	-	-	-	-	(3,084)	(3,084)
Total comprehensive expense for the year	-	-	-	-	(3,084)	(3,084)
Balance as at 31 March 2017	2	3,958	(1,409)	296	(5,328)	(2,481)
Loss for the financial period	-	-	-	-	(4,623)	(4,623)
Total comprehensive expense for the period	-	-	-	-	(4,623)	(4,623)
Balance as at 31 December 2017	2	3,958	(1,409)	296	(9,951)	(7,104)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Called up share capital £'000	Share premium account £'000	Other reserves £'000	Accumulated losses £'000	Total equity £'000
Balance as at 1 April 2016	2	3,958	296	(25,084)	(20,828)
Loss for the financial year	-	-	-	(7,223)	(7,223)
Total comprehensive expense for the year	-	-	-	(7,223)	(7,223)
Balance as at 31 March 2017	2	3,958	296	(32,307)	(28,051)
Loss for the financial period	-	-	-	(5,171)	(5,171)
Total comprehensive expense for the period	-	-	-	(5,171)	(5,171)
Balance as at 31 December 2017	2	3,958	296	(37,478)	(33,222)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Cash flow from operating activities		
Operating loss	(3,053)	(1,166)
Depreciation, amortisation and impairment charges	4,834	6,884
Loss on disposal of fixed assets	73	45
(Increase) / decrease in inventories	(127)	12
(Increase) / decrease in receivables	(563)	782
Increase / (decrease) in payables	1,013	(476)
Net cash from operating activities	2,177	6,081
Taxation recovered / (paid)	-	18
Net cash generated from operating activities	2,177	6,099
Cash flow from investing activities		
Interest received	3	30
Purchase of property, plant and equipment	(1,760)	(691)
Purchase of intangibles - computer software	(31)	(122)
Net cash used in investing activities	(1,788)	(783)
Cash flow from financing activities		
Hire purchase creditor and finance lease interest	(2)	(22)
Increase in amounts owed by group undertakings	(1,000)	(9,589)
Repayment of capital element of finance lease contracts	(3)	(21)
Decrease / (increase) in directors' current account	898	(73)
Net cash used in financing activities	(107)	(9,705)
Net increase / (decrease) in cash and cash equivalents	282	(4,389)
Cash and cash equivalents at the beginning of the period	974	5,363
Cash and cash equivalents at the end of the period	1,256	974
Cash and cash equivalents consists of:		
Cash at bank and in hand	1,256	974
Cash and cash equivalents	1,256	974

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

1 Accounting policies

General information

Colosseum Dental UK Limited ("The Company") is a private company limited by shares and is incorporated in The United Kingdom. The address of the registered office is, Staverton Court, Staverton, Cheltenham, Gloucestershire, GL51 0UX.

Colosseum Dental UK Limited owns and manages a chain of dental practices in the UK, focussed primarily in the south of England. The Group's practices offer a mixture of NHS and private treatment to patients.

Statement of compliance

The consolidated and individual financial statements of Colosseum Dental UK Limited have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Basis of preparation

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. Accounting policies have been applied consistently across the Group, unless otherwise stated.

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. The preparation of financial statements requires the use of certain critical account estimates. It also requires management to exercise its judgement in the process of applying the Group accounting policies.

The Company has taken advantage of the exemption in section 408 of the Companies Act from presenting an individual income statement.

Basis of consolidation

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity it accounts for that entity as a subsidiary.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the Group's interest in the entity.

Going concern

At 31 December 2017, the Group has net current liabilities of £34,971,000 (2017: £33,275,000) after taking into account Group loans of £46,305,000 (2017: £44,548,000). At 31 December 2017 the Group and Company were financed through intercompany borrowings from the Group's immediate parent company, Tempire Investments Limited. Tempire Investments Limited and its parent companies were in turn financed through intra-group loans provided by Colosseum Dental Group AS. As at the date of approval of the annual report Colosseum Dental Group AS (an intermediate holding company) has re-financed the acquisition debt with a third-party provider.

The directors have considered the working capital generation of the Group for a period of 12 months from the date of approval of the financial statements and have received assurances from Colosseum Dental Group AS that they will not seek repayment of the intra-group funding provided. On this basis, the directors have concluded that they have a reasonable expectation that the Group will continue in operational existence for the foreseeable future and therefore continue to apply the going concern basis in the preparation of the annual financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

1 Accounting policies (continued)

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions.

The Company has taken advantage of the following exemptions in its individual financial statements:

- i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows.
- ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.41(b), 11.41(c), 11.41 (e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), 12.29A, as the information is provided in the consolidated financial statement disclosures.
- iii) from disclosing the Company key management personnel compensation as required by FRS 102 paragraph 33.7 of FRS 102.

Revenue

Revenue represents the fair value of consideration received or receivable in the ordinary course of business for dentistry goods or services provided to the extent that the Group has obtained the right to consideration. Revenue derived from NHS contracts is recognised on the volume of dental activity delivered in the financial period. Revenue from all private dental work is recognised on the completion of each piece of treatment carried out.

Employee benefits

The Group provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

i) Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

ii) Defined contribution pension plans

The Group operates a defined contribution pension scheme. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

iii) Annual bonus plans

The Group operates a number of annual bonus plans for certain employees. An expense is recognised in the income statement when the Group has a legal or constructive obligation to make payment under the plans as a result of past events and a reliable estimation of the obligation can be made.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

1 Accounting policies (continued)

Taxation

Taxation expense/(income) for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i) Current tax

Current tax is the amount of income tax payable/(receivable) in respect of the taxable profit/(loss) for the period or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured, they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life. Where the Group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding 10 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

1 Accounting policies (continued)

Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Computer software – 3 to 5 years

Amortisation is charged to administrative expenses in the income statement.

Where factors, such as technological advancement or changes in market price indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Costs associated with maintaining computer software are recognised as an expense as incurred.

Property, plant and equipment

Property, plant and equipment are recorded at their purchase price together with any incidental costs of provision less depreciation and where applicable impairment charges. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on property, plant and equipment so as to write off the cost or valuation, less any estimated residual value, over their expected useful life as follows:

Short leasehold improvements	Straight-line over the life of the lease
Plant and machinery	Straight-line over a period of 5-10 years
Fixtures and fittings	Straight-line over a period of 10 years
Office equipment	Straight-line over a period of 5 years
Motor vehicles	Straight-line over a period of 4 years

Repairs, maintenance and minor inspection costs are expensed as incurred.

Property, plant and equipment are de-recognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the consolidated income statement.

Leased assets

At inception, the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

i) Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

Where the implicit rate cannot be determined the Group's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

1 Accounting policies (continued)

Leased assets (continued)

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful economic lives. The capital element of future finance payments is included within payables. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

ii) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

iii) Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the income statement, to reduce the lease expense, on a straight-line basis over the period of the lease.

Impairment of non-financial assets

At each reporting date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the income statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the income statement.

Goodwill is allocated on acquisition to the cash generating unit expected to benefit from the synergies of the combination. Goodwill is included in the carrying value of cash generating units for impairment testing.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less any provisions for impairment.

Inventories

Inventories are valued at the lower of cost and estimated selling price less cost to complete and sell. Inventories are recognised as cost of sales in the year in which the related revenue is recognised.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the income statement. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the income statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Financial assets and liabilities

Financial instruments

The Group and Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including trade and other trade receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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

Financial assets are de-recognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives are recognised in the income statement in finance costs or income as appropriate.

The Colosseum Dental UK Limited group does not currently hold derivatives.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Pensions

The Group operates a defined contribution pension scheme. Contributions are recognised in the income statement in the period in which they become payable in accordance with the rules of the scheme.

Partnerships and Trust Deeds

Certain members of group management have joined partnerships or act on behalf of the Group in the acquisition of the trade and assets of certain businesses. Group management holds their interest under a Trust Deed on behalf of group companies. All trading under these arrangements are included in the consolidated financial statements to reflect the substance of these arrangements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

1 Accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group's financial statements.

Critical judgements in applying the Group's accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key accounting estimate and assumptions

The Group makes estimates and assumptions about the future. The resulting accounting estimates will, by definition seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of intangible assets and goodwill

The Group considers whether intangible assets and goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of the appropriate discount rate in order to calculate the net present value of those cash flows.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

2 Revenue

Analysis of revenue by category:

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Provision of dentistry services	33,581	48,608
	33,581	48,608

All revenue arose within the UK.

3 Operating loss

Operating loss is stated after charging:

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Operating leases expenses	1,654	2,161
Depreciation of property, plant and equipment		
- Under finance leases	5	7
- Owned assets	1,055	1,385
Loss on disposal of assets	73	45
Amortisation of goodwill and intangibles	3,774	4,962
Impairment of goodwill	-	530
Inventory included in cost of sales	1,281	1,715
Exceptional transaction related costs	-	376

4 Services provided by the company's auditors

During the period, the group and company obtained the following services from the company's auditors included within operating loss:

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Fees payable for the audit of the company and its subsidiaries	68	70
Fees payable for tax compliance services	22	20
Fee payables for tax advisory services	-	88
	90	178

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

5 Employees and directors

The monthly average number of persons employed by the Group (including directors) during the period, analysed by category was as follows:

	Group		Company	
	Period ended 31 December 2017 Number	Year ended 31 March 2017 Number	Period ended 31 December 2017 Number	Year ended 31 March 2017 Number
Practice	511	506	-	-
Administration	44	42	44	42
	555	548	44	42

The aggregate payroll costs were as follows:

	Group		Company	
	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Wages and salaries	6,776	8,557	1,487	1,828
Social security costs	534	634	198	216
Other pension costs	51	44	23	9
	7,361	9,235	1,708	2,053

The directors' remuneration for the period was as follows:

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Remuneration (including benefits in kind)	836	668

The total remuneration (including benefits in kind) of the highest paid director is £201,000 (2017: £326,000).

Key management compensation

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Salaries and other short-term benefits	1,022	1,028
Post-employment benefits	18	1
Remuneration (including benefits in kind)	1,040	1,029

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

6 Finance income

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Bank interest receivable	3	16
Finance income	-	14
Finance income	3	30

7 Finance costs

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Interest on group borrowings	1,757	2,174
Other interest including hire purchase interest	2	22
Finance costs	1,759	2,196

8 Tax on loss

(a) Tax income included in profit or loss

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Current tax		
Corporation tax charge	-	-
Adjustments in respect of prior years	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(186)	(248)
Total deferred tax	(186)	(248)
Total tax	(186)	(248)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

8 Tax on loss (continued)

(b) Reconciliation of tax credit

Tax on loss for the financial period is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are reconciled below:

	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Loss before taxation	(4,809)	(3,332)
Corporation tax at standard rate of tax in UK, 19% (2017: 20%)	(914)	(666)
Effect of:		
Expenses not allowable for tax	134	143
Impact of UK rate changes	22	-
Unrecognised deferred tax	572	275
Total tax	(186)	(248)

(c) Tax rate changes

Finance Act 2016 was substantively enacted on 6 September 2016 and reduced the main rate of corporation tax in the UK from 19% to 17% with effect from 1 April 2020. Deferred tax assets have been valued based on the substantively enacted rates at the statement of financial position date at which the assets are expected to reverse.

9 Intangible assets

Group	Goodwill on unincorporated dental practices £'000	Goodwill on incorporated dental practice £'000	Computer software £'000	Total £'000
Cost				
At 1 April 2017	41,897	11,282	337	53,516
Additions	-	-	31	31
At 31 December 2017	41,897	11,282	368	53,547
Accumulated amortisation and impairment charges				
At 1 April 2017	24,208	3,417	133	27,758
Charge for the period	2,880	846	48	3,774
At 31 December 2017	27,088	4,263	181	31,532
Net book value				
At 31 December 2017	14,809	7,019	187	22,015
At 31 March 2017	17,689	7,865	204	25,758

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

9 Intangible assets (continued)

Impairments

After careful consideration, the directors have reflected an impairment charge of £nil in the period to 31 December 2017 (2017: £530,000) against the carrying value of goodwill on acquired practices.

Company	Computer software £'000
Cost	
At 1 April 2017	219
Additions	1
At 31 December 2017	220
Accumulated amortisation	
At 1 April 2017	72
Charge for the period	31
At 31 December 2017	103
Net book value	
At 31 December 2017	117
At 31 March 2017	147

10 Property, plant and equipment

Group	Short leasehold improvements £'000	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Office equipment £'000	Total £'000
Cost						
At 1 April 2017	1,210	2,737	5,490	28	1,527	10,992
Additions	654	730	7	-	369	1,760
Disposals	(19)	(208)	(197)	-	(500)	(924)
At 31 December 2017	1,845	3,259	5,300	28	1,396	11,828
Accumulated depreciation and impairment charges						
At 1 April 2017	596	1,433	3,144	7	1,107	6,287
Charge for the period	72	409	391	5	183	1,060
Disposals	(2)	(199)	(154)	-	(496)	(851)
At 31 December 2017	666	1,643	3,381	12	794	6,496
Net book value						
At 31 December 2017	1,179	1,616	1,919	16	602	5,332
At 31 March 2017	614	1,304	2,346	21	420	4,705

Leased assets

Included within the net book value of property, plant and equipment is £16,000 (2017: £21,000) in respect of assets held under finance leases and similar hire purchase contracts. The finance lease relates to motor vehicles. Depreciation for the period on these assets was £5,000 (2017: £7,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

10 Property, plant and equipment (continued)

Impairments

After careful consideration, the directors have reflected an impairment charge of £nil in the period to 31 December 2017 (2017: £nil) against the carrying value of property, plant and equipment assets.

Company	Short leasehold improvements £'000	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Office equipment £'000	Total £'000
Cost						
At 1 April 2017	6	75	96	28	828	1,033
Additions	4	-	2	-	90	96
Disposals	-	-	-	-	(213)	(213)
At 31 December 2017	10	75	98	28	705	916
Accumulated depreciation and impairment charges						
At 1 April 2017	-	26	50	7	605	688
Charge for the period	6	11	8	6	92	123
Disposals	-	-	-	-	(213)	(213)
At 31 December 2017	6	37	58	13	484	598
Net book value						
At 31 December 2017	4	38	40	15	221	318
At 31 March 2017	6	49	46	21	223	345

11 Investments

Company	Period ended 31 December 2017 £'000	Year ended 31 March 2017 £'000
Shares in group undertakings	10,073	10,073

Shares in group undertakings and participating interests

	Subsidiary undertakings £'000
Cost and net book value	
At 1 April 2017	10,073
Accumulated impairment	-
At 31 December 2017	10,073

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

11 Investments (continued)

Details of group undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Subsidiary undertaking	Registration Number	Holding	Proportion of voting and shares	Principal activity
Hollybush Dental Care Limited	06378203	Ordinary	100%	Dental services
Tilgate Dental Care Limited	06378140	Ordinary	100%	Dental services
Northgate Dental Care Limited	06378091	Ordinary	100%	Dental services
Creekside Dental Care Limited	06378105	Ordinary	100%	Dental services
Little London Dental Care Limited	06378123	Ordinary	100%	Dental services
Horsham Dental Care Limited	06378127	Ordinary	100%	Dental services
Maidstone Dental Care Limited	06377934	Ordinary	100%	Dental services
Holborough Dental Care Limited	06378115	Ordinary	100%	Dental services
Southsea Dental Care Limited	06594490	Ordinary	100%	Dental services
Peckham Dental Care Limited	06378099	Ordinary	100%	Dental services
Gentle Dental & Implant Care Limited	06393444	Ordinary	100%	Dental services
Stone Cross Dental Care Limited	06378541	Ordinary	100%	Dental services
Charlton Dental Care Limited	06378569	Ordinary	100%	Dental services
Paulsgrove Dental Care Limited	07172257	Ordinary	100%	Dental services
Corby Dental Care Limited	07215476	Ordinary	100%	Dental services
Hilsea Dental Care Limited	07172339	Ordinary	100%	Dental services
Portsea Dental Care Limited	07172390	Ordinary	100%	Dental services
Wellsbourne Dental Care Limited	07340006	Ordinary	100%	Dental services
Bradlaw House Dental Care Limited	07277351	Ordinary	100%	Dental services
Church Hill Dental Care Limited	07338979	Ordinary	100%	Dental services
Crowborough Dental Care Limited	07463028	Ordinary	100%	Dental services
Diplomat House Dental Care Limited	07338978	Ordinary	100%	Dental services
Direct Dental Care Limited	07253830	Ordinary	100%	Dental services
Steyning Dental Care Limited	07277371	Ordinary	100%	Dental services
Welldene Dental Care Limited	06796271	Ordinary	100%	Dental services
Allington Dental Care Limited	07451761	Ordinary	100%	Dental services
Buntingford Dental Care Limited	07699161	Ordinary	100%	Dental services
Cambourne Dental Care Limited	07544242	Ordinary	100%	Dental services
Gayton Road Dental Care Limited	07484202	Ordinary	100%	Dental services
Gravesend Dental Care Limited	07484310	Ordinary	100%	Dental services
Kennington Dental Care Limited	07699138	Ordinary	100%	Dental services
Lowestoft Dental Care Limited	07544348	Ordinary	100%	Dental services
Manor Dental Care Limited	07450363	Ordinary	100%	Dental services
Best Practice CDA Limited	07110957	Ordinary	100%	Dental services
South Down Dental Care Limited	07699136	Ordinary	100%	Dental services
Stoke Newington Dental Care Limited	07699169	Ordinary	100%	Dental services
Colosseum Dental UK Partnerships Limited	07451783	Ordinary	100%	Dental services
R G Mathey Limited	06737373	Ordinary	100%	Dental services
Dale Road Oral Care Limited	07167177	Ordinary	100%	Dental services
Halton House Dental Centre Limited	06372475	Ordinary	100%	Dental services
Moat Road Dental Care Limited	06486257	Ordinary	100%	Dental services
Preston Park Dental Care Limited	06378536	Ordinary	100%	Dental services
Tollgate Dental Care Limited	07450354	Ordinary	100%	Dental services

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

11 Investments (continued)

Details of group undertakings (continued)

Subsidiary undertaking	Registration Number	Holding	Proportion of voting and shares	Principal activity
Tooth Smart Dental Care Limited	07463056	Ordinary	100%	Dental services
Totton Dental Care Limited	07544338	Ordinary	100%	Dental services
Vicarage Lane Dental Care Limited	07699141	Ordinary	100%	Dental services
Walworth Road Dental Care Limited	07545393	Ordinary	100%	Dental services
Well Street Dental Care Limited	07544345	Ordinary	100%	Dental services
West Hill Dental Clinic Limited	05218356	Ordinary	100%	Dental services
Highview Dental Care Limited	07141990	Ordinary	100%	Dental services
Honor Oak Dental Care Limited	07141997	Ordinary	100%	Dental services
V.A.S Dental Care Limited	06604270	Ordinary	100%	Dental services
GW (Wood Green) Limited	08949447	Ordinary	100%	Dental services
Deanbrook Dental Care Limited	08298784	Ordinary	100%	Dental services
Market Place Dental Practice Limited	05879406	Ordinary	100%	Dental services
Mawsley Dental Clinic Limited	06342273	Ordinary	100%	Dental services
White House Dental Care Limited	07185903	Ordinary	100%	Dental services
Taghi & Kia Limited	06152573	Ordinary	100%	Dormant
Meyrumlu1 Limited	07699166	Ordinary	100%	Dormant
Eastwood Clinic Limited	07277366	Ordinary	100%	Dormant
South East England CDA Limited	07116020	Ordinary	100%	Dormant
Kismar CDA Limited	07116053	Ordinary	100%	Dormant

All subsidiary undertakings within the group have been consolidated in these financial statements.

Under section 479A of the Companies Act 2006 all the above companies have taken the exemption in relation to the audit of financial statements.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The registered office of the company and all its subsidiaries is Staverton Court, Staverton, Cheltenham, GL51 0UX.

12 Inventories

	Group		Company	
	31 December 2017 £'000	31 March 2017 £'000	31 December 2017 £'000	31 March 2017 £'000
Goods held for resale	443	316	-	-

The cost of inventories recognised within cost of sales is £1,281,000 (2017: £1,715,000).

There is no material difference between the carrying amount of inventory and the replacement cost.

Inventories are stated after provisions for impairment are made. Impairment for the period is £nil (2017: £nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

13 Trade and other receivables

	Group		Company	
	31 December 2017 £'000	31 March 2017 £'000	31 December 2017 £'000	31 March 2017 £'000
Trade receivables	2,139	1,765	-	-
Amounts owed by group undertakings	17,151	15,833	17,151	15,833
Other receivables	85	101	16	16
Director's current account	-	898	-	898
Prepayments and accrued income	794	588	90	64
	20,169	19,185	17,257	16,811

Trade receivables are stated after provisions for impairment are made. Impairment for the period is £nil (2017: £nil).

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

14 Trade and other payables: amounts falling due within one year

	Group		Company	
	31 December 2017 £'000	31 March 2017 £'000	31 December 2017 £'000	31 March 2017 £'000
Trade payables	1,447	1,746	1,447	1,746
Obligations under finance lease and hire purchase contracts (note 16)	4	4	4	4
Loans owed to group undertaking (note 16)	46,305	44,548	46,305	44,548
Amounts owed to group undertakings	318	-	13,476	7,955
Corporation tax	18	18	-	-
Other payables	3,144	5,610	112	718
Other taxation and social security	186	262	186	262
Accruals and deferred income	5,417	1,562	453	609
	56,839	53,750	61,983	55,842

Amounts owed to group undertakings that relate to the group-refinancing in November 2014 are unsecured and repayable on demand. Interest is payable at LIBOR plus 4.5%.

15 Trade and other payables: amounts falling due after more than one year

	Group		Company	
	31 December 2017 £'000	31 March 2017 £'000	31 December 2017 £'000	31 March 2017 £'000
Obligations under finance lease and hire purchase contracts (note 16)	12	15	12	15
	12	15	12	15

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

16 Borrowings and financial instruments

Loans owed to group undertakings

Amounts repayable:

	Group		Company	
	31 December	31 March	31 December	31 March
	2017	2017	2017	2017
	£'000	£'000	£'000	£'000
In one year or less or on demand	46,305	44,548	46,305	44,548
	46,305	44,548	46,305	44,548

The intra-group loan of £46,305,000 is repayable to Tempire Investments Limited. The loan is unsecured and is repayable on demand. Interest is payable on the loan at a rate equivalent to LIBOR plus a margin of 4.5%.

Obligations under finance leases and hire purchase contracts

Amounts repayable:

	Group		Company	
	31 December	31 March	31 December	31 March
	2017	2017	2017	2017
	£'000	£'000	£'000	£'000
In one year or less or on demand	4	4	4	4
After one year but less than five years	12	15	12	15
	16	19	16	19

Group

The Group has the following financial instruments:

	Note	31 December	31 March
		2017	2017
		£'000	£'000
Financial assets that are debt instruments measured at amortised cost			
Trade receivables	13	2,139	1,765
Amounts owed by group undertakings	13	17,151	15,833
Other receivables	13	85	101
Director's current account	13	-	898
		19,375	18,597
Financial liabilities measured at amortised cost			
Trade payables	14	1,447	1,746
Finance leases and hire purchase creditors	14,15	16	19
Loans owed to group undertakings	14	46,305	44,548
Amounts owed to group undertakings	14	318	-
Other payables	14	3,144	5,610
Accruals	14	5,417	1,562
		56,647	53,485

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

17 Deferred taxation

	Group Total £'000	Company Total £'000
At 1 April 2017	346	15
Credited to the income statement	186	25
At 31 December 2017	532	40

The deferred tax balances at 31 December 2017 and 1 April 2017 relate wholly to accelerated capital allowances.

The Group has unprovided deferred tax losses of £1,904,000 (2017: £1,392,000). The Company has unprovided deferred tax losses of £1,161,000 (2017: £895,000).

18 Called up share capital

Allotted and fully paid shares

The share capital of the company is shown below:

	31 December 2017		31 March 2017	
	No.	£	No.	£
Ordinary A shares of £1 each	882	882	882	882
Ordinary B shares of £1 each	98	98	98	98
Ordinary C shares of £1 each	20	20	20	20
Ordinary D shares of £1 each	-	-	-	-
Ordinary E shares of £0.00001 each	100,000,000	1,000	100,000,000	1,000
Ordinary F shares of £0.00001 each	-	-	-	-
	100,001,000	2,000	100,001,000	2,000

There are six classes of ordinary shares as disclosed above. As at 31 December 2017 and 31 March 2017 there were no D or F shares in issue.

Each class of share ranks pari passu in all respects as to voting, returns of capital (whether on sale of shares, liquidation, reduction of capital, dissolution, winding up or other return of capital) and distributions of income (including dividends).

All shares entitle the holders to receive notice of, to attend, to speak and to vote at any general meeting of the Company and carry one vote or a poll vote where demanded, otherwise each Shareholder will have one vote on a show of hands.

Dividends may be declared or paid independently on each class of share and if paid does not entitle the holders of the other classes of share to any equivalent dividend or compensatory payment in respect of a dividend declared or paid on the share.

19 Pension schemes

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Group to the scheme and amounted to £51,000 (2017: £44,000).

Contributions totalling £14,000 (2017: £12,000) were payable to the scheme at the end of the period and are included in current liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)****20 Commitments and contingent liabilities****Operating lease commitments**

As at 31 December 2017 the Group and Company had annual commitments under non-cancellable operating leases expiring as follows:

	Group		Company	
	31 December 2017 £'000	31 March 2017 £'000	31 December 2017 £'000	31 March 2017 £'000
Land and buildings				
Within one year	1,985	2,000	91	86
Within two and five years	7,688	7,722	305	325
Over five years	14,803	16,081	292	270
	24,476	25,803	688	681

There are no material claims against the Company and the Group that the directors are aware of.

21 Related party transactions

During the period, the Group or Company made the following related party transactions:

Dr M Eyumlu

(Company director)

During the period from 1 April 2017 to his resignation as a Director on 21 April 2017 Dr M Eyumlu was paid rent of £nil (2017: £447,000) on various properties used by group companies and was paid £nil in respect of his services to the group (2017: £29,000).

At the statement of financial position date, the amount due from Dr M Eyumlu was £nil (2017: £898,000).

Dr A Eyumlu and Dr H Shakir

(Company directors)

Dr A Eyumlu and Dr H Shakir are directors and shareholders of Titan Care Limited a supplier of dental implant materials. During the period from 1 April 2017 to their resignation as Directors on 21 April 2017 Colosseum Dental UK Limited purchased goods to the value of £5,000 (2017: £124,000). The balance owing to Titan Care Limited as at the statement of financial position date was £22,000 (31 March 2017: £20,000).

The Company has taken advantage of the exemption in paragraph 33.1A of FRS 102 "Related Party Disclosures" from disclosing transactions with other members of the Group.

22 Controlling parties

The immediate parent undertaking is Tempire Investments Limited.

The largest group to consolidate these financial statements is Triventura Midco I Limited, a company incorporated in the United Kingdom. Copies of the Triventura Midco I Limited consolidated financial statements can be obtained from the Company Secretary of Colosseum Dental UK Limited at Staverton Court, Staverton, Cheltenham, GL51 0UX.

The Group's ultimate controlling party is Jacobs Holding AG.