

Registered number: 10926063

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2017

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MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

COMPANY INFORMATION

Director	Tricia Dinkelman
Registered number	10926063
Registered office	77 New Cavendish Street London W1W 6XB
Independent auditor	Nexia Smith & Williamson Statutory Auditor, Chartered Accountants Onslow House Onslow Street Guildford Surrey GU1 4TL

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

CONTENTS

	Page
Director's Report	1 - 2
Independent Auditor's Report	3 - 5
Consolidated Statement of Income and Retained Earnings	6
Consolidated Balance Sheet	7
Company Balance Sheet	8
Consolidated Statement of Cash Flows	9
Notes to the Financial Statements	10 - 14

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

DIRECTOR'S REPORT FOR THE PERIOD ENDED 31 DECEMBER 2017

The director presents her report and the financial statements for the period ended 31 December 2017.

Director's responsibilities statement

The director is responsible for preparing the Director's Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable her to ensure that the financial statements comply with the Companies Act 2006. She is also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Director

The director who served during the period was:

Tricia Dinkelman (appointed 21 August 2017)

Disclosure of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

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

Small companies note

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

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

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

This report was approved by the board on July 8, 2019

and signed on its behalf.

Tricia Dinkelman

Tricia Dinkelman
Director

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

Opinion

We have audited the financial statements of MH Services International Holdings (UK) Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 December 2017 which comprise the Consolidated statement of income and retained earnings, Consolidated and parent company balance sheets, Consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2017 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Directors' report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Jeffrey Selden

Senior statutory auditor, for and on behalf of
Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

Onslow House
Onslow Street
Guildford
Surrey
GU1 4TL

Date:

25 July 2019

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

**CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Note	period 31 December 2017 £
Administrative expenses		(3,500)
Operating loss		<u>(3,500)</u>
Loss after tax		<u>(3,500)</u>
Loss for the period attributable to the owners of the parent		(3,500)
Retained earnings at the end of the period		<u>(3,500)</u>
Non-controlling interest at the end of the year		<u></u>

The notes on pages 10 to 14 form part of these financial statements.

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED
REGISTERED NUMBER: 10926063

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £
Current assets		
Debtors: amounts falling due within one year	7	78
		<u>78</u>
Creditors: amounts falling due within one year	8	(3,500)
		<u>(3,422)</u>
Net current liabilities		<u>(3,422)</u>
Total assets less current liabilities		<u>(3,422)</u>
Provisions for liabilities		
		<u>(3,422)</u>
Net assets excluding pension asset		<u>(3,422)</u>
Net liabilities		<u><u>(3,422)</u></u>
Capital and reserves		
Called up share capital		78
Profit and loss account		(3,500)
		<u>(3,422)</u>
Equity attributable to owners of the parent Company		<u><u>(3,422)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
 July 8, 2019.

Tricia Dinkelman

Tricia Dinkelman
 Director

The notes on pages 10 to 14 form part of these financial statements.

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED
REGISTERED NUMBER: 10926063

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £
Fixed assets		
Investments	6	78
		<u>78</u>
Current assets		
Debtors: amounts falling due within one year	7	78
		<u>78</u>
Creditors: amounts falling due within one year	8	(3,578)
		<u>(3,500)</u>
Net current liabilities		(3,500)
Total assets less current liabilities		<u>(3,422)</u>
Net assets excluding pension asset		<u>(3,422)</u>
Net liabilities		<u>(3,422)</u>
Capital and reserves		
Called up share capital		78
Loss for the period		(3,500)
Profit and loss account carried forward		(3,500)
		<u>(3,422)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
 July 8, 2019.

Tricia Dinkelman

Tricia Dinkelman
 Director

The notes on pages 10 to 14 form part of these financial statements.

The parent company reported a loss for the period of £3,500.

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

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

	2017 £
Cash flows from operating activities	
Loss for the financial period	(3,500)
Increase in creditors	3,500
Net cash generated from operating activities	<u>-</u>
Net increase in cash and cash equivalents	<u>-</u>
Cash and cash equivalents at the end of period	<u>-</u>
Cash and cash equivalents at the end of period comprise:	<u>-</u>

The notes on pages 10 to 14 form part of these financial statements.

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

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

1. General Information

MH Services International Holdings (UK) Limited was incorporated on 21 August 2017 in England and Wales as a private company, limited by shares, with registered number 10926063. Its registered address is 77 New Cavendish Street, London, W1W 6XB and its principal activity is that of a holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

2.3 Going concern

The financial statements have been prepared under the going concern assumption.

The directors are not aware, in making their assessment of the entity's ability to continue as a going concern, of material uncertainties related to events or conditions that cast significant doubt upon the entity's ability to continue as a going concern.

Although the company had net current liabilities at the balance sheet date, the directors are satisfied that the Company is a going concern on the basis that the Company has obtained a letter of support from the directors of the ultimate controlling party, Centene Corporation, to provide whatever financial support is required to enable the Company to continue as a going concern for a period of not less than 12 months from the date of signing these financial statements.

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

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

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions have been translated at the spot rate on the date of incorporation.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

2.5 Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

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

2.7 Creditors

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

2.8 Financial Instruments

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

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

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

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

In the application of the Group's accounting policies, which are described in note 2, management is required to make judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

i) Impairment of investments (note 6)

The Company considers whether investments in subsidiaries are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of cash generating units ("CGU"s). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

4. Auditor's remuneration

	period 31 December 2017 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>2,000</u>
Fees payable to the Group's auditor and its associates in respect of:	
All other services	<u>1,500</u>
	<u>1,500</u>

5. Employees

The Group and Company have no employees other than the directors, who did not receive any remuneration.

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

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

6. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
Additions	78
At 31 December 2017	<u>78</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
MH Services International (UK) Limited	77 New Cavendish Street, London, W1W 6XB	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2017 and the result for the period ended on that date for the subsidiary undertaking was as follows:

Name	Aggregate of share capital and reserves
MH Services International (UK) Limited	78

MH SERVICES INTERNATIONAL HOLDINGS (UK) LIMITED

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

7. Debtors: amounts falling due within one year

	Group 2017 £	Company 2017 £
Called up share capital not paid	78	78
	<u>78</u>	<u>78</u>

8. Creditors: Amounts falling due within one year

	Group 2017 £	Company 2017 £
Other creditors	-	78
Accruals and deferred income	3,500	3,500
	<u>3,500</u>	<u>3,578</u>

9. Post balance sheet events

After the year end, the company acquired controlling interests in other Centene Corporation group companies, specifically Centene UK Limited and The Practice Group Limited. Both Centene UK Limited and The Practice Group Limited are private companies incorporated in England and Wales. During fiscal year 2018, Centene UK Limited and The Practice Group Limited became wholly owned subsidiaries of MH Services International (UK) Limited. As a result of this internal restructuring in March 2018, the Company was funded by the issue of additional share capital and transferred capital contributions from the previous parent of these subsidiaries, MHS Consulting International Inc., which amounted to £22.8m. The Company also received additional additional capital contributions during the remainder of 2018 and during 2019 to provide cash funding for its wholly owned subsidiaries amounting to £12.8m. Further, the Company also invested additional funds in 2019 in its subsidiary, MH Services International (UK) Limited for a new equity investment amounting to £16.7m. As at the date of approving these accounts, Centene UK had submitted a funding request for £2.0m. If approved, the company would receive further capital contributions from its parent to facilitate this request.

10. Controlling party

The immediate parent entity is MHS Consulting International, Inc. The ultimate controlling party is Centene Corporation.

The Company and the Group is included in the consolidated financial statements of its ultimate parent entity, Centene Corporation, a company incorporated in the USA. The consolidated financial statements may be obtained from 7700 Forsyth Blvd, St. Louis, MO 63105, United States of America.