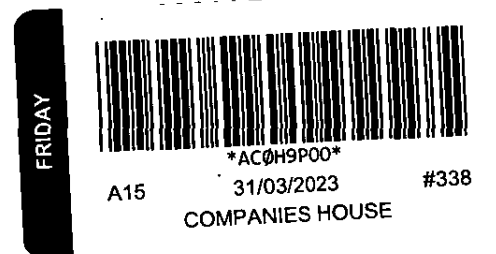


REGISTERED NUMBER: 11795615 (England and Wales)

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 March 2022
for
Smile Dental Ltd



Smile Dental Ltd (Registered number: 11795615)

**Contents of the Consolidated Financial Statements
for the Year Ended 31 March 2022**

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	4
Consolidated Income Statement	8
Consolidated Other Comprehensive Income	9
Consolidated Balance Sheet	10
Company Balance Sheet	11
Consolidated Statement of Changes in Equity	12
Company Statement of Changes in Equity	13
Consolidated Cash Flow Statement	14
Notes to the Consolidated Cash Flow Statement	15
Notes to the Consolidated Financial Statements	16

Smile Dental Ltd

Company Information
for the Year Ended 31 March 2022

DIRECTORS:

Miss J K Dhariwal
Dr J S Dhariwal

REGISTERED OFFICE:

Walnut Tree House
Court Lane
Burnham
Slough
Buckinghamshire
SL1 8DN

REGISTERED NUMBER:

11795615 (England and Wales)

SENIOR STATUTORY AUDITOR:

M Dobbins FCA

AUDITORS:

Dunkley's
Statutory Auditor
Chartered Accountants
Woodlands Grange
Woodlands Lane
Bradley Stoke
Bristol
BS32 4JY

Smile Dental Ltd (Registered number: 11795615)

Group Strategic Report
for the Year Ended 31 March 2022

The directors present their strategic report of the company and the group for the year ended 31 March 2022.

REVIEW OF BUSINESS

The Directors are confident about the continuing financial performance of the business and continue to review opportunities provided.

The principal performance indicators used by the board are as follows:

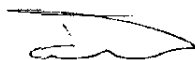
	2022	2021
	£	£
Turnover	7,205,219	3,380,779
Gross profit/(loss) margin	49%	58%
Increase/(decrease) in turnover	113%	First year
Active branches	9	8
Average turnover per branch	800,580	422,597

PRINCIPAL RISKS AND UNCERTAINTIES

The company seeks to minimise financial risk and appropriate terms are negotiated with lenders, suppliers and . patients. Management reviews the terms and the relationships and manages the exposure as appropriate.

An ongoing risk surrounds the chance of any injuries suffered by patients during dental procedures. The management continuously update safety training and ensure all staff are properly trained to a high level of competency to limit this risk. Other methods designed to reduce this risk to an acceptable level include reviewing any contracted associate dentists, hygienists, locum or similar support to ensure that they maintain the proper continuing professional development, memberships of relevant organisations and insurance cover.

ON BEHALF OF THE BOARD:



Dr J S Dhariwal - Director

30 March 2023

Smile Dental Ltd (Registered number: 11795615)

Report of the Directors
for the Year Ended 31 March 2022

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2022.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2022.

FUTURE DEVELOPMENTS

The group continues to seek new opportunities in which to expand its activities.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

Miss J K Dhariwal

Dr J S Dhariwal

FINANCIAL INSTRUMENTS

The company's financial instruments comprise of bank borrowing, cash and liquid resources, and various items such as trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business.

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


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Dunkley's, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Dr J S Dhariwal - Director

30 March 2023

Report of the Independent Auditors to the Members of Smile Dental Ltd

Opinion

We have audited the financial statements of Smile Dental Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2022 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

**Report of the Independent Auditors to the Members of
Smile Dental Ltd**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 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.

**Report of the Independent Auditors to the Members of
Smile Dental Ltd**

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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, bonus levels and performance targets;
- any matters we identified, having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - o the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas of management override of controls, and revenue recognition.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- enquiring of management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
Smile Dental Ltd**

Use of our report

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



M Dobbins FCA (Senior Statutory Auditor)
for and on behalf of Dunkley's
Statutory Auditor
Chartered Accountants
Woodlands Grange
Woodlands Lane
Bradley Stoke
Bristol
BS32 4JY

30 March 2023

Smile Dental Ltd (Registered number: 11795615)

Consolidated Income Statement
for the Year Ended 31 March 2022

	Notes	Year Ended 31.3.22 £	£	Period 1.1.20 to 31.3.21 £	£
TURNOVER			7,205,219		3,380,779
Cost of sales			3,687,775		1,436,387
GROSS PROFIT			3,517,444		1,944,392
Distribution costs		-		298	
Administrative expenses		3,797,950	3,797,950	2,166,561	2,166,859
			(280,506)		(222,467)
Other operating income			7,591		4,023
OPERATING LOSS	4		(272,915)		(218,444)
Interest payable and similar expenses	5		143,054		84,908
LOSS BEFORE TAXATION			(415,969)		(303,352)
Tax on loss	6		79,656		156,491
LOSS FOR THE FINANCIAL YEAR			(495,625)		(459,843)
Loss attributable to:					
Owners of the parent			(495,625)		(459,843)

The notes form part of these financial statements

Smile Dental Ltd (Registered number: 11795615)

**Consolidated Other Comprehensive Income
for the Year Ended 31 March 2022**

	Notes	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
LOSS FOR THE YEAR		(495,625)	(459,843)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(495,625)</u>	<u>(459,843)</u>
Total comprehensive income attributable to: Owners of the parent		<u>(495,625)</u>	<u>(459,843)</u>

The notes form part of these financial statements

Smile Dental Ltd (Registered number: 11795615)

Consolidated Balance Sheet
31 March 2022

	Notes	31.3.22 £	£	31.3.21 £	£
FIXED ASSETS					
Intangible assets	8		3,099,738		4,173,280
Tangible assets	9		537,485		290,836
Investments	10		-		-
			<u>3,637,223</u>		<u>4,464,116</u>
CURRENT ASSETS					
Stocks	11	6,914		36,462	
Debtors	12	1,261,183		1,030,512	
Cash at bank and in hand		1,783,938		1,188,376	
		<u>3,052,035</u>		<u>2,255,350</u>	
CREDITORS					
Amounts falling due within one year	13	3,724,880		2,999,613	
NET CURRENT LIABILITIES			<u>(672,845)</u>		<u>(744,263)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,964,378</u>		<u>3,719,853</u>
CREDITORS					
Amounts falling due after more than one year	14		(3,911,496)		(4,168,758)
PROVISIONS FOR LIABILITIES	18		<u>(8,250)</u>		<u>(10,838)</u>
NET LIABILITIES			<u><u>(955,368)</u></u>		<u><u>(459,743)</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		100		100
Retained earnings	20		<u>(955,468)</u>		<u>(459,843)</u>
SHAREHOLDERS' FUNDS			<u><u>(955,368)</u></u>		<u><u>(459,743)</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2023 and were signed on its behalf by:



Dr J S Dhariwal - Director

Smile Dental Ltd (Registered number: 11795615)

Company Balance Sheet
31 March 2022

	Notes	31.3.22 £	31.3.21 £
FIXED ASSETS			
Intangible assets	8	692,426	923,234
Tangible assets	9	20,307	33,133
Investments	10	4,238,195	4,288,465
		<u>4,950,928</u>	<u>5,244,832</u>
CURRENT ASSETS			
Debtors	12	224,165	313,597
Cash at bank and in hand		10,323	9,092
		<u>234,488</u>	<u>322,689</u>
CREDITORS			
Amounts falling due within one year	13	2,138,286	1,787,955
NET CURRENT LIABILITIES		<u>(1,903,798)</u>	<u>(1,465,266)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,047,130</u>	<u>3,779,566</u>
CREDITORS			
Amounts falling due after more than one year	14	(3,911,496)	(4,168,758)
PROVISIONS FOR LIABILITIES	18	-	(6,295)
NET LIABILITIES		<u>(864,366)</u>	<u>(395,487)</u>
CAPITAL AND RESERVES			
Called up share capital	19	100	100
Retained earnings		(864,466)	(395,587)
SHAREHOLDERS' FUNDS		<u>(864,366)</u>	<u>(395,487)</u>
Company's loss for the financial year		<u>(468,879)</u>	<u>(395,587)</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2023 and were signed on its behalf by:



Dr J S Dhariwal - Director

The notes form part of these financial statements

Smile Dental Ltd (Registered number: 11795615)

Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	100	-	100
Changes in equity			
Total comprehensive income	-	(459,843)	(459,843)
Balance at 31 March 2021	100	(459,843)	(459,743)
Changes in equity			
Total comprehensive income	-	(495,625)	(495,625)
Balance at 31 March 2022	100	(955,468)	(955,368)

The notes form part of these financial statements

Smile Dental Ltd (Registered number: 11795615)

Company Statement of Changes in Equity
for the Year Ended 31 March 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	100	-	100
Changes in equity			
Total comprehensive income	-	(395,587)	(395,587)
Balance at 31 March 2021	100	(395,587)	(395,487)
Changes in equity			
Total comprehensive income	-	(468,879)	(468,879)
Balance at 31 March 2022	100	(864,466)	(864,366)

The notes form part of these financial statements

Smile Dental Ltd (Registered number: 11795615)

Consolidated Cash Flow Statement
for the Year Ended 31 March 2022

		Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Cash flows from operating activities	Notes		
Cash generated from operations	1	1,969,443	1,314,360
Interest paid		(143,054)	(84,908)
Tax paid		(206,434)	60,781
Government grants		729	3,625
Net cash from operating activities		<u>1,620,684</u>	<u>1,293,858</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(5,220,794)
Purchase of tangible fixed assets		(398,503)	(342,560)
Settlement refund from share acquisition		50,370	-
Net cash from investing activities		<u>(348,133)</u>	<u>(5,563,354)</u>
Cash flows from financing activities			
New loans in year		-	4,546,429
Loan repayments in year		(243,879)	(132,595)
Amount introduced/withdrawn by directors		(384,754)	565,179
Movement in related party balances		(48,356)	478,759
Net cash from financing activities		<u>(676,989)</u>	<u>5,457,772</u>
Increase in cash and cash equivalents		<u>595,562</u>	<u>1,188,276</u>
Cash and cash equivalents at beginning of year	2	<u>1,188,376</u>	<u>100</u>
Cash and cash equivalents at end of year	2	<u><u>1,783,938</u></u>	<u><u>1,188,376</u></u>

The notes form part of these financial statements

Smile Dental Ltd (Registered number: 11795615)

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2022**

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Loss before taxation	(415,969)	(303,352)
Depreciation charges	1,175,029	1,099,238
Government grants	(729)	(3,625)
Finance costs	143,054	84,908
	<hr/>	<hr/>
	901,385	877,169
Decrease/(increase) in stocks	29,548	(36,462)
Increase in trade and other debtors	(190,369)	(372,749)
Increase in trade and other creditors	1,228,879	846,402
	<hr/>	<hr/>
Cash generated from operations	1,969,443	1,314,360

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2022

	31.3.22 £	1.4.21 £
Cash and cash equivalents	1,783,938	1,188,376

Period ended 31 March 2021

	31.3.21 £	1.1.20 £
Cash and cash equivalents	1,188,376	100

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	1,188,376	595,562	1,783,938
	<hr/>	<hr/>	<hr/>
	1,188,376	595,562	1,783,938
Debt			
Debts falling due within 1 year	(245,077)	(13,387)	(258,464)
Debts falling due after 1 year	(4,168,758)	257,262	(3,911,496)
	<hr/>	<hr/>	<hr/>
	(4,413,835)	243,875	(4,169,960)
Total	(3,225,459)	839,437	(2,386,022)

The notes form part of these financial statements

Smile Dental Ltd (Registered number: 11795615)

Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2022

1. STATUTORY INFORMATION

Smile Dental Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2020, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Straight line over 3 - 5 years and Straight line over 4 years
Improvements to property	- 25% on reducing balance, 20% on reducing balance and Straight line over 15 years
Plant and machinery	- 25% on reducing balance, 20% on reducing balance and Straight line over 6 - 7 years
Fixtures and fittings	- 25% on reducing balance, 20% on reducing balance and Straight line over 4 years
Computer equipment	- 33.33% on cost, 33% on reducing balance and Straight line over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. 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.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Smile Dental Ltd (Registered number: 11795615)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022**

3. EMPLOYEES AND DIRECTORS

	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Wages and salaries	1,460,860	632,656
Social security costs	85,765	29,113
Other pension costs	22,376	10,610
	<u>1,569,001</u>	<u>672,379</u>

The average number of employees during the year was NIL (2021 - NIL).

The average number of employees by undertakings that were proportionately consolidated during the year was 86 (2021 - 74).

	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Directors' remuneration	-	-

4. OPERATING LOSS

The operating loss is stated after charging:

	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Hire of plant and machinery	660	298
Depreciation - owned assets	151,854	51,724
Goodwill amortisation	1,023,172	1,047,514
Auditors' remuneration	13,500	-

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Bank loan interest	<u>143,054</u>	<u>84,908</u>

Smile Dental Ltd (Registered number: 11795615)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022

6. TAXATION

Analysis of the tax charge

The tax charge on the loss for the year was as follows:

	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Current tax:		
UK corporation tax	82,244	145,653
Deferred tax	(2,588)	10,838
Tax on loss	<u>79,656</u>	<u>156,491</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.3.22 £	Period 1.1.20 to 31.3.21 £
Loss before tax	<u>(415,969)</u>	<u>(303,352)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(79,034)	(57,637)
Effects of:		
Expenses not deductible for tax purposes	9,752	4,201
Depreciation in excess of capital allowances	151,526	207,600
Utilisation of tax losses	-	(12,095)
Acquisition adjustments	-	3,584
Timing differences in deferred tax	(2,588)	10,838
Total tax charge	<u>79,656</u>	<u>156,491</u>

7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

Smile Dental Ltd (Registered number: 11795615)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022**

8. INTANGIBLE FIXED ASSETS

Group		Goodwill £
COST		
At 1 April 2021		5,220,794
Disposals		(4,194)
Impairments		(50,370)
		<hr/>
At 31 March 2022		5,166,230
AMORTISATION		
At 1 April 2021		1,047,514
Amortisation for year		1,023,172
Eliminated on disposal		(4,194)
		<hr/>
At 31 March 2022		2,066,492
NET BOOK VALUE		
At 31 March 2022		3,099,738
		<hr/>
At 31 March 2021		4,173,280
		<hr/>
Company		Goodwill £
COST		
At 1 April 2021 and 31 March 2022		1,154,043
AMORTISATION		
At 1 April 2021		230,809
Amortisation for year		230,808
		<hr/>
At 31 March 2022		461,617
NET BOOK VALUE		
At 31 March 2022		692,426
		<hr/>
At 31 March 2021		923,234
		<hr/>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022

9. TANGIBLE FIXED ASSETS

Group				
		Freehold property £	Short leasehold £	Improvements to property £
COST				
At 1 April 2021		-	4,267	115,080
Additions		105,820	-	-
At 31 March 2022		105,820	4,267	115,080
DEPRECIATION				
At 1 April 2021		-	389	16,647
Charge for year		17,447	969	19,686
At 31 March 2022		17,447	1,358	36,333
NET BOOK VALUE				
At 31 March 2022		88,373	2,909	78,747
At 31 March 2021		-	3,878	98,433
	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2021	98,555	6,999	117,659	342,560
Additions	240,591	37,282	14,810	398,503
At 31 March 2022	339,146	44,281	132,469	741,063
DEPRECIATION				
At 1 April 2021	17,392	743	16,553	51,724
Charge for year	67,706	5,220	40,826	151,854
At 31 March 2022	85,098	5,963	57,379	203,578
NET BOOK VALUE				
At 31 March 2022	254,048	38,318	75,090	537,485
At 31 March 2021	81,163	6,256	101,106	290,836

Smile Dental Ltd (Registered number: 11795615)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022**

9. TANGIBLE FIXED ASSETS - continued

Company	Computer equipment £
COST	
At 1 April 2021	
and 31 March 2022	38,477
DEPRECIATION	
At 1 April 2021	5,344
Charge for year	12,826
At 31 March 2022	18,170
NET BOOK VALUE	
At 31 March 2022	20,307
At 31 March 2021	33,133

10. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	
At 1 April 2021	4,288,465
Additions	600
Impairments	(50,870)
At 31 March 2022	4,238,195
NET BOOK VALUE	
At 31 March 2022	4,238,195
At 31 March 2021	4,288,465

The following companies are subsidiary undertakings of Smile Dental Ltd.

Each listed undertaking has claimed the exemption from the requirements of the Companies Act 2006 relating to the audit of individual accounts under s479A.

Company name	Company number	Financial period ending
SCA Trafalgar Limited	12144599	31 March 2022
Smile Care Holbury Ltd	12727277	31 March 2022
Smile Care Portsmouth Ltd	12729819	31 March 2022
Smile Care Swanage Ltd	12729663	31 March 2022
Smile Care Totton Ltd	12729433	31 March 2022
Smile Care Woolston Ltd	12727911	31 March 2022
Smile Care Gosport Ltd	12727496	31 March 2022
Smile Care Eastleigh Ltd	11897565	31 March 2022
Smile Care Havant Ltd	11897591	31 March 2022

Each subsidiary company's share capital comprises of 100 £1 shares, and Smile Dental Limited owns 100% of the share capital.

The registered office address for each subsidiary company is the same as Smile Dental Limited.

Smile Dental Ltd (Registered number: 11795615)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022**

11. STOCKS

	Group	
	31.3.22	31.3.21
	£	£
Stocks	6,914	36,462

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Trade debtors	405,147	209,495	-	-
Amounts owed by group undertakings	-	-	24,845	47,139
Other debtors	7,965	57,965	-	50,000
Related party loans	698,065	657,763	121,047	127,980
Patient receipts	62,566	-	-	-
Deferred tax asset	-	-	914	-
Prepayments	87,440	105,289	77,359	88,478
	<u>1,261,183</u>	<u>1,030,512</u>	<u>224,165</u>	<u>313,597</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Bank loans and overdrafts (see note 15)	258,464	245,077	258,464	245,110
Trade creditors	751,986	514,952	1,810	349
Amounts owed to group undertakings	-	-	688,840	347,956
Tax	82,244	206,434	-	-
Social security and other taxes	27,320	18,289	-	-
Other creditors	643,339	92,133	524,000	-
Related party loans	1,128,467	1,136,522	498,430	635,533
Directors' current accounts	180,424	565,178	147,242	557,807
Accruals and deferred income	652,636	221,028	19,500	1,200
	<u>3,724,880</u>	<u>2,999,613</u>	<u>2,138,286</u>	<u>1,787,955</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Bank loans (see note 15)	<u>3,911,496</u>	<u>4,168,758</u>	<u>3,911,496</u>	<u>4,168,758</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022**

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	-	-	-	33
Bank loans	258,464	245,077	258,464	245,077
	<u>258,464</u>	<u>245,077</u>	<u>258,464</u>	<u>245,110</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	266,916	258,857	266,916	258,857
	<u>266,916</u>	<u>258,857</u>	<u>266,916</u>	<u>258,857</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	849,819	826,921	849,819	826,921
	<u>849,819</u>	<u>826,921</u>	<u>849,819</u>	<u>826,921</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	2,794,761	3,082,980	2,794,761	3,082,980
	<u>2,794,761</u>	<u>3,082,980</u>	<u>2,794,761</u>	<u>3,082,980</u>

Loans include:

	31.3.22	31.3.21
	£	£
Secured variable loan of £3,513,910 repayable on 29 October 2035	3,251,047	3,437,626
Secured variable loan of £552,160 repayable on 30 January 2035	488,363	518,408
Secured variable loan of £430,360 repayable on 2 March 2035	384,485	407,800
Unsecured variable loan of £50,000 repayable on 14 October 2026	46,064	50,000
	<u>4,169,959</u>	<u>4,413,834</u>

All loans charge variable interest connected to the Bank of England base rate.

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	31.3.22	31.3.21
	£	£
Within one year	365,611	242,045
Between one and five years	866,732	650,349
In more than five years	819,186	451,075
	<u>2,051,529</u>	<u>1,343,469</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022**

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Bank loans	<u>4,169,960</u>	<u>4,413,835</u>	<u>4,169,960</u>	<u>4,413,835</u>

The loans are secured against various assets of the group.

There is a Cross Guarantee between Smile Dental Limited, AVSmile Properties Limited, Smile Care Eastleigh Limited and Smile Care Havant Limited, and debentures are held against these connected parties.

18. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.22	31.3.21	31.3.22	31.3.21
	£	£	£	£
Deferred tax				
Accelerated capital allowances	<u>8,250</u>	<u>10,838</u>	<u>-</u>	<u>6,295</u>

Group

	Deferred tax
	£
Balance at 1 April 2021	10,838
Credit to Income Statement during year	(2,588)
Balance at 31 March 2022	<u>8,250</u>

Company

	Deferred tax
	£
Balance at 1 April 2021	6,295
Credit to Income Statement during year	(7,209)
Balance at 31 March 2022	<u>(914)</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.22	31.3.21
			£	£
NIL	Ordinary	£1	-	100
50	Ordinary A	£1	50	-
50	Ordinary B	£1	50	-
			<u>100</u>	<u>100</u>

During the financial year, the shares were reclassified from Ordinary shares to Ordinary A and Ordinary B shares.

Smile Dental Ltd (Registered number: 11795615)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2022**

20. RESERVES

Group

	Retained earnings £
At 1 April 2021	(459,843)
Deficit for the year	(495,625)
At 31 March 2022	<u>(955,468)</u>

21. PENSION COMMITMENTS

At the balance sheet date, the group owed £5,354 to the pension scheme.
Pension contributions made by the company during the financial period totalled £22,376.

22. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Key management personnel of the entity or its parent (in the aggregate)

	31.3.22 £	31.3.21 £
Amount due to related party	<u>180,424</u>	<u>565,178</u>

The above balances are unsecured, interest free and repayable on demand.

Other related parties

	31.3.22 £	31.3.21 £
Amount due from related party	590,471	617,926
Amount due to related party	<u>1,074,175</u>	<u>1,296,368</u>

The above balances are unsecured, interest free and repayable on demand.
Other related parties include companies where a director has a participating interest.

23. ULTIMATE CONTROLLING PARTY

There is no single controlling member.