

Longacre MSS Group Limited

Annual Report and Financial Statements

For the period ended 31 December 2019

Company Registration No. 12077076 (England and Wales)

Longacre MSS Group Limited

Company Information

Directors	J Benton	(Appointed 31 July 2019)
	R Allison	(Appointed 31 July 2019)
	E Nicholson	(Appointed 31 July 2019)
	S Schmidt-Chiari	(Appointed 1 July 2019)

Company number	12077076
-----------------------	----------

Registered office	Unit 10 Millars Brook Business Park Molly Millars Lane Wokingham United Kingdom RG41 2AD
--------------------------	--

Auditor	Moore Kingston Smith LLP Orbital House 20 Eastern Road Romford Essex RM1 3PJ
----------------	---

Business address	Unit 10 Millars Brook Business Park Molly Millars Lane Wokingham United Kingdom RG41 2AD
-------------------------	--

Longacre MSS Group Limited

Directors' Report

For the period ended 31 December 2019

The directors present their annual report and financial statements for the period ended 31 December 2019.

Principal activities

The company was incorporated on 1 July 2019.

The principal activity of the company and group is to provide medical services.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

J Benton	(Appointed 31 July 2019)
R Allison	(Appointed 31 July 2019)
E Nicholson	(Appointed 31 July 2019)
S Schmidt-Chiari	(Appointed 1 July 2019)

Results and dividends

The results for the period are set out on page 6.

Auditor

Moore Kingston Smith LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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 group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 group's 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. They 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Longacre MSS Group Limited

Directors' Report (Continued)

For the period ended 31 December 2019

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

J Benton

Director

29 June 2021

Longacre MSS Group Limited

Independent Auditor's Report

To the Members of Longacre MSS Group Limited

Opinion

We have audited the financial statements of Longacre MSS Group Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 December 2019 which comprise the Group Statement of Income and Retained Earnings, the Group Balance Sheet, the Company Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent company's affairs as at 31 December 2019 and of its for the period 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 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.

Longacre MSS Group Limited

Independent Auditor's Report (Continued)

To the Members of Longacre MSS Group Limited

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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 and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Longacre MSS Group Limited

Independent Auditor's Report (Continued)

To the Members of Longacre MSS Group Limited

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Karen Wardell (Senior Statutory Auditor)
for and on behalf of

1 July 2021

Chartered Accountants
Statutory Auditor

Longacre MSS Group Limited

Group Statement of Income and Retained Earnings

For the period ended 31 December 2019

	Notes	Period ended 31 December 2019 £'000
Turnover		2,886
Cost of sales		(1,605)
Gross profit		1,281
Administrative expenses		(998)
Operating profit		283
Interest payable and similar expenses		(218)
Profit before taxation		65
Tax on profit		(164)
Loss for the financial period		(99)
Retained earnings brought forward		-
Retained earnings carried forward		(99)

Loss for the financial period is all attributable to the owners of the parent company.

Total comprehensive income for the period is all attributable to the owners of the parent company.

Longacre MSS Group Limited

Group Balance Sheet

As at 31 December 2019

	Notes	2019 £'000	£'000
Fixed assets			
Goodwill	3		7,639
Other intangible assets	3		85
Total intangible assets			7,724
Tangible assets	4		124
			7,848
Current assets			
Debtors	7	977	
Cash at bank and in hand		165	
		1,142	
Creditors: amounts falling due within one year	8	(1,043)	
Net current assets			99
Total assets less current liabilities			7,947
Creditors: amounts falling due after more than one year	9		(8,046)
Net liabilities			(99)
Capital and reserves			
Profit and loss reserves			(99)

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 29 June 2021 and are signed on its behalf by:

J Benton
Director

Longacre MSS Group Limited

Company Balance Sheet

As at 31 December 2019

	Notes	2019 £'000	£'000
Fixed assets			
Investments	5		8,449
Current assets		-	
Creditors: amounts falling due within one year	8	(299)	
Net current liabilities			(299)
Total assets less current liabilities			8,150
Creditors: amounts falling due after more than one year	9		(8,038)
Net assets			112
Capital and reserves			
Profit and loss reserves			112

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £112,444.

The financial statements were approved by the board of directors and authorised for issue on 29 June 2021 and are signed on its behalf by:

J Benton
Director

Company Registration No. 12077076

Longacre MSS Group Limited

Notes to the Financial Statements

For the period ended 31 December 2019

1 Accounting policies

Company information

Longacre MSS Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 10 Millars Brook Business Park, Molly Millars Lane, Wokingham, RG41 2AD.

The group consists of Longacre MSS Group Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Longacre MSS Group Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Medical Screening Solutions Limited and Pura Diagnostics Limited have been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account and statement of cash flows include the results and cash flows of both companies for the 5 month period from its acquisition on 31 July 2019. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The amortisation charge of £331k has caused a loss in 2019. This is the first set of accounts and the group has been growing and generating profits and cash since the year end. The directors have considered the impact of the COVID-19 outbreak and the measures taken to contain it on the company. In the period following the year end, forecasts were produced and approved by the directors which show the company can continue to operate for at least the next twelve months following the approval of the financial statements. Additionally, government support has been obtained through the furlough scheme and post year end trading has been profitable. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Reporting period

The company was incorporated on 1 July 2019. A financial reporting date of 31 December has been established in order to comply with the reporting requirements of the group of which the company is a member. These financial statements for the period ended 31 December 2019 are the first financial statements to be prepared by the company and accordingly there is no comparative information.

1.5 Turnover

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

1 Accounting policies

(Continued)

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.8 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	33% straight line
Development costs	33% straight line

1.9 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
Computers	33% straight line

1.10 Fixed asset investments

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

1 Accounting policies

(Continued)

1.11 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1.12 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.13 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

1 Accounting policies

(Continued)

1.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

1 Accounting policies

(Continued)

1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the group and company during the period was:

	Group 2019 Number	Company 2019 Number
Total employees	47	-
	==	==

Their aggregate remuneration comprised:

	Group 2019 £'000	Company 2019 £'000
Wages and salaries	525	-
Social security costs	32	-
Pension costs	103	-
	==	==
	660	-
	==	==

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

3 Intangible fixed assets

Group	Goodwill £'000	Other £'000	Total £'000
Cost			
At 1 July 2019	-	-	-
Additions	7,970	115	8,085
At 31 December 2019	7,970	115	8,085
Amortisation and impairment			
At 1 July 2019	-	-	-
Amortisation charged for the period	331	30	361
At 31 December 2019	331	30	361
Carrying amount			
At 31 December 2019	7,639	85	7,724

The company had no intangible fixed assets at 31 December 2019.

4 Tangible fixed assets

Group	Plant and machinery etc £'000
Cost	
At 1 July 2019	-
Additions	152
At 31 December 2019	152
Depreciation and impairment	
At 1 July 2019	-
Depreciation charged in the period	28
At 31 December 2019	28
Carrying amount	
At 31 December 2019	124
At 1 July 2019	-

The company had no tangible fixed assets at 31 December 2019.

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

5 Fixed asset investments

	Group 2019 £'000	Company 2019 £'000
Investments	-	8,449

Movements in fixed asset investments Company

Shares in group undertakings

Cost or valuation

At 1 July 2019

Additions

At 31 December 2019

Carrying amount

At 31 December 2019

£'000

-

8,449

8,449

8,449

6 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Medical Screening Solutions Limited	England and Wales	Medical Screening Services	Ordinary	100.00	0
Pura Diagnostics Limited	England and Wales	Laboratory Testing	Ordinary	100.00	0

7 Debtors

	Group 2019 £'000	Company 2019 £'000
Amounts falling due within one year:		
Trade debtors	941	-
Other debtors	36	-
	977	-

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

8 Creditors: amounts falling due within one year

	Group 2019 £'000	Company 2019 £'000
Trade creditors	404	-
Amounts due to group undertakings	16	46
Corporation tax payable	161	-
Other taxation and social security	27	-
Other creditors	435	253
	<u>1,043</u>	<u>299</u>

9 Creditors: amounts falling due after more than one year

	Group 2019 £'000	Company 2019 £'000
Bank loans and overdrafts	2,172	2,172
Other creditors	5,874	5,866
	<u>8,046</u>	<u>8,038</u>

10 Loans and overdrafts

	Group 2019 £'000	Company 2019 £'000
Bank loans	2,172	2,172
Other loans	3,866	3,866
	<u>6,038</u>	<u>6,038</u>
Payable after one year	<u>6,038</u>	<u>6,038</u>

The long-term loans are secured by fixed and floating charges over the assets of the group. The bank loans are repayable on 30 September 2023.

Longacre MSS Group Limited

Notes to the Financial Statements (Continued)

For the period ended 31 December 2019

11 Acquisitions

On 31 July 2019 the group acquired 100 percent of the issued capital of Medical Screening Solutions Limited and Pura Diagnostics Limited.

	Book Value £'000	Adjustments £'000	Fair Value £'000
Property, plant and equipment	182	-	182
Trade and other receivables	891	-	891
Cash and cash equivalents	393	-	393
Trade and other payables	(961)	-	(961)
	<u>505</u>	<u>-</u>	<u>505</u>
Total identifiable net assets			505
Goodwill			<u>7,944</u>
Total consideration			<u>8,449</u>
The consideration was satisfied by:			£'000
Cash			3,275
Issue of shareholder loans			2,491
Deferred consideration			2,000
Deal costs			683
			<u>8,449</u>
Contribution by the acquired business for the reporting period included in the consolidated statement of comprehensive income since acquisition:			£'000
Turnover			2,886
Profit after tax			<u>232</u>

12 Controlling party

The immediate parent company is Longacre Medical Services Limited, a company incorporated in England and Wales, which owns 100% of the issued share capital of the company. The ultimate parent company is Longacre Group Limited, a company incorporated in England and Wales, which has an indirect interest in 50.6% of the issued share capital of the company.

Longacre Group Limited is the largest group to prepare consolidated financial statements which include these financial statements. Copies of the consolidated financial statements can be obtained from 1 Mercer Street, London, WC2H 9QJ.

The director, I Abrahams, is considered to be the ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.