Longacre MSS Group Limited

Annual Report and Financial Statements

For the year ended 31 December 2020

Company Registration No. 12077076 (England and Wales)

Longacre MSS Group Limited

Company Information

Directors	J Benton	
	R Allison	
	E Nicholson	
	S Schmidt-Chiari	
	D Oatley	(Appointed 21 June 2021)
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 year ended 31 December 2020

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

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

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

J Benton	
R Allison	
E Nicholson	
S Schmidt-Chiari	
D Oatley	(Appointed 21 June 2021)

Results and dividends
The results for the year are set out on page 7.

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 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.

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
13 October 2021

Directors' Responsibilities Statement

For the year ended 31 December 2020

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.

Opinion

We have audited the financial statements of Longacre MSS Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 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 2020 and of its 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 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

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 or 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 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.

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 year 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.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the group and parent company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the group and parent company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the group and parent company comply with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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.

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

13 October 2021

Chartered Accountants
Statutory Auditor

Orbital House
20 Eastern Road
Romford
Essex
RM1 3PJ

Longacre MSS Group Limited

Group Statement of Income and Retained Earnings

For the year ended 31 December 2020

	Notes	2020 £'000	2019 as restated £'000
Turnover		8,543	2,886
Cost of sales		(4,579)	(1,605)
Gross profit		3,964	1,281
Administrative expenses		(3,919)	(1,014)
Other operating income		128	-
Operating profit		173	267
Interest payable and similar expenses		(473)	(218)
(Loss)/profit before taxation		(300)	49
Tax on (loss)/profit		(67)	(164)
Loss for the financial year		(367)	(115)
Retained earnings brought forward as previously reported		(99)	-
Effect of change from prior year adjustment		(16)	-
As restated		(115)	-
Retained earnings carried forward		(482)	(115)

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

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

Longacre MSS Group Limited

Group Balance Sheet

As at 31 December 2020

	Notes	2020 £'000	2020 £'000	2019 as restated £'000	2019 as restated £'000
Fixed assets					
Goodwill	**4**		7,165		8,000
Other intangible assets	**4**		104		85
Total intangible assets			7,269		8,085
Tangible assets	**5**		341		124
			7,610		8,209
Current assets					
Debtors	**8**	1,778		977	
Cash at bank and in hand		594		165	
		2,372		1,142	
Creditors: amounts falling due within one year	**9**	(2,023)		(1,043)	
Net current assets			349		99
Total assets less current liabilities			7,959		8,308
Creditors: amounts falling due after more than one year	**10**		(8,347)		(8,423)
Provisions for liabilities	**12**		(94)		-
Net liabilities			(482)		(115)
Capital and reserves					
Profit and loss reserves			(482)		(115)

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 13 October 2021 and are signed on its behalf by:

J Benton
Director

Longacre MSS Group Limited

Company Balance Sheet

As at 31 December 2020

	Notes	2020 £'000	2020 £'000	2019 as restated £'000	2019 as restated £'000
Fixed assets					
Investments	**6**		8,826		8,826
Current assets					
Debtors	**8**	104		-	
Creditors: amounts falling due within one year	**9**	(875)		(299)	
Net current liabilities			(771)		(299)
Total assets less current liabilities			8,055		8,527
Creditors: amounts falling due after more than one year	**10**		(8,347)		(8,415)
Net (liabilities)/assets			(292)		112
Capital and reserves					
Profit and loss reserves			(292)		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 loss for the year was £403,000 (2019 - £112,000 profit).

The financial statements were approved by the board of directors and authorised for issue on 13 October 2021 and are signed on its behalf by:

J Benton
Director

Company Registration No. 12077076

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 a mounts 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.

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 2020. 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 loss in the year is due to the amortisation of goodwill charge of £835k. The group revenue, profitability and cash generation have grown considerably in the year and have continued to do so since the year end. The directors have considered the impact of the COVID 19 pandemic and the measures taken to manage it within the group. In the period following 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. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 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.

1.5 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.

1 Accounting policies **(Continued)**

1.6 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.

1.7 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

1.8 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

1.9 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.

1 Accounting policies **(Continued)**

1.10 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.

1.11 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.

1.12 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 m ethod 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.

1 Accounting policies **(Continued)**

1.13 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.

1.14 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.

1.15 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.

1.16 Retirement benefits

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

1 Accounting policies **(Continued)**

1.17 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.

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

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 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Intangible fixed assets

The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

Goodwill impairment reviews are also performed annually. These reviews require an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise for the cash generating unit and a suitable discount rate to calculate present value.

See note 4 for the carrying amount of the intangible assets and notes 1.6 and 1.7 for the useful economic lives for each class of asset.

3 Employees

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

	Group		Company	
	2020	2019	2020	2019
	Number	Number	Number	Number
Total employees	59	47	-	-

Their aggregate remuneration comprised:

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Wages and salaries	1,658	525	-	-
Social security costs	132	32	-	-
Pension costs	153	103	-	-
	1,943	660	-	-

4 Intangible fixed assets

Group	Goodwill	Other	Total
	£'000	£'000	£'000
Cost			
At 1 January 2020 - as restated	8,347	115	8,462
Additions	-	83	83
At 31 December 2020	8,347	198	8,545
Amortisation and impairment			
At 1 January 2020 - as restated	347	30	377
Amortisation charged for the year	835	64	899
At 31 December 2020	1,182	94	1,276
Carrying amount			
At 31 December 2020	7,165	104	7,269
At 31 December 2019 - as restated	8,000	85	8,085

The company had no intangible fixed assets at 31 December 2020 or 31 December 2019.

5 Tangible fixed assets

Group	Land and buildings	Plant and machinery etc	Total
	£'000	£'000	£'000
Cost			
At 1 January 2020	-	152	152
Additions	29	279	308
At 31 December 2020	29	431	460
Depreciation and impairment			
At 1 January 2020	-	28	28
Depreciation charged in the year	5	86	91
At 31 December 2020	5	114	119
Carrying amount			
At 31 December 2020	24	317	341
At 31 December 2019	-	124	124

The company had no tangible fixed assets at 31 December 2020 or 31 December 2019.

6 Fixed asset investments

	Group 2020 £'000	2019 £'000	Company 2020 £'000	2019 £'000
Investments - as restated	-	-	8,826	8,826

Movements in fixed asset investments
Company

	Shares in group undertakings £'000
Cost or valuation	
At 1 January 2020 and 31 December 2020 - as restated	8,826
Carrying amount	
At 31 December 2020	8,826
At 31 December 2019	8,826

7 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 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

8 Debtors

Amounts falling due within one year:	Group 2020 £'000	2019 £'000	Company 2020 £'000	2019 £'000
Trade debtors	1,514	941	-	-
Corporation tax recoverable	103	-	103	-
Other debtors	161	36	1	-
	1,778	977	104	-

9 Creditors: amounts falling due within one year

	Group		Company	
	2020	**2019**	**2020**	**2019**
	£'000	**£'000**	**£'000**	**£'000**
Trade creditors	660	404	-	-
Amounts due to group undertakings	-	16	323	46
Corporation tax payable	85	161	-	-
Other taxation and social security	121	27	-	-
Other creditors	1,157	435	552	253
	2,023	1,043	875	299

10 Creditors: amounts falling due after more than one year

	Group		Company	
		As restated		**As restated**
	2020	**2019**	**2020**	**2019**
	£'000	**£'000**	**£'000**	**£'000**
Bank loans and overdrafts	2,104	2,172	2,104	2,172
Other creditors	6,243	6,251	6,243	6,243
	8,347	8,423	8,347	8,415

11 Loans and overdrafts

	Group		Company	
	2020	**2019**	**2020**	**2019**
	£'000	**£'000**	**£'000**	**£'000**
Bank loans	2,104	2,172	2,104	2,172
Other loans	4,243	4,243	4,243	4,243
	6,347	6,415	6,347	6,415
Payable after one year	6,347	6,415	6,347	6,415

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.

12 Provisions for liabilities

	Notes	Group 2020 £'000	2019 £'000	Company 2020 £'000	2019 £'000
Deferred tax liabilities		94	-	-	-

13 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.

14 Prior period adjustment

The group acquired 100 percent of the issued capital of Medical Screening Solutions Limited and Pura Diagnostics Limited on 31 July 2019. Following a review of the accounting entries relating to the acquisition an adjustment is required to the value of Goodwill and Shareholder loans which were recorded at 31 December 2019. The resulting adjustment is shown as a prior year adjustment in the financial statements for the year ended 31 December 2020.

Changes to the balance sheet - group

	At 31 December 2019		
	As previously reported	Adjustment	As restated
	£'000	£'000	£'000
Fixed assets			
Goodwill	7,639	361	8,000
Creditors due after one year			
Loans and overdrafts	(6,038)	(377)	(6,415)
Net assets	(99)	(16)	(115)
Capital and reserves			
Profit and loss	(99)	(16)	(115)

14 Prior period adjustment **(Continued)**

Changes to the profit and loss account - group

	Period ended 31 December 2019		
	As previously reported	**Adjustment**	**As restated**
	£'000	**£'000**	**£'000**
Administrative expenses	(998)	(16)	(1,014)
Loss for the financial period	(99)	(16)	(115)

Changes to the balance sheet - company

	At 31 December 2019		
	As previously reported	**Adjustment**	**As restated**
	£'000	**£'000**	**£'000**
Fixed assets			
Investments	8,449	377	8,826
Creditors due after one year			
Loans and overdrafts	(6,038)	(377)	(6,415)
Net assets	112	-	112

Changes to the profit and loss account - company

	Period ended 31 December 2019		
	As previously reported	**Adjustment**	**As restated**
	£'000	**£'000**	**£'000**
Profit for the financial period	112	-	112