

Company Registration No. 13086792 (England and Wales)

ARMADA MIDCO LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022

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ARMADA MIDCO LIMITED

COMPANY INFORMATION

Directors	T Z Gowers C Blackwell-Frost
Secretary	Intertrust (UK) Limited
Company number	13086792
Registered office	Unit 1144 Regent Court The Square Gloucester Business Park Brockworth Gloucester GL3 4AD
Auditor	RSM UK Audit LLP Chartered Accountants 2nd Floor 1 The Square Temple Quay Bristol BS1 6DG

ARMADA MIDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Review of the business

The principal activity of the company is that of a holding company.

Detailed commentary on the business environment and commercial outlook in the sector in which the group operates is set out in the strategic report included in the financial statements of the company's main trading subsidiary, Vanguard Healthcare Solutions Limited ('Vanguard').

Future developments

There are no plans to change the nature of the company's activities in the foreseeable future.

Key performance indicators

As a non-trading intermediate holding company there are no key performance indicators relevant to an assessment of the company's results or financial position.

Principal risks and uncertainties

As an intermediate holding company, the principal risk facing the company concerns the recoverability of amounts owed by group undertakings, which is ultimately affected by the trading performance of the trading subsidiaries.

The subsidiaries' and wider group activities expose them to a number of financial risks, all of which are mitigated, but include:

Financial risk management objectives and policies

There is a group banking facility in place and forecasts and covenant compliance are continually updated and monitored. Covenant compliance is forecast for the foreseeable future.

Cash flow risk

The group currently generates sufficient operating cash flows to satisfy the cash interest commitments for group companies and its planned capital expenditure. Directors receive monthly reports that include rolling forecasts for the P & L and cashflow, covenant compliance, detailed variance analysis and regular updates to the 5-year forecast, allowing the Board to monitor risks and react accordingly.

The group has foreign exchange exposure due to its Australian, Swedish and Netherlands subsidiaries, and reliance on an overseas supply chain. Wherever possible, base currency funds are utilised to minimise any foreign exchange exposure and, in the cases where this has not been possible, spot trades have been transacted at prevailing market rates. The Board has considered the implementation of a foreign exchange hedging strategy to mitigate any transactional foreign exchange risk and have decided to carry the risk in the short term.

Health and safety risk

Health and safety is fundamental to Vanguard. We actively promote and demand safe working practices amongst our employees and those who work with us, whether it be suppliers, sub-contractors or our own staff. Risk assessment and risk management is central to our operations and provide a key platform for accident prevention. Vanguard has held accreditation for ISO 45001 (Occupational Health and Safety Management) for a number of years.

To monitor the effectiveness of its health and safety, the group has a Health & Safety Committee, which reviews all incidents, near misses and trends, reviews relevant policy and reports into and provides assurance to the Governance and Risk Board. The Clinical Operations and Governance Committee also reports to the Governance and Risk Board, providing assurance on all clinical based matters.

Environmental and regulatory risk

The group seeks to minimise adverse impacts on the environment from its activities. Vanguard has held accreditation for ISO 9001 (Quality Management) and ISO 14001 (Environmental Management System) for a number of years.

ARMADA MIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risks and uncertainties (continued)

Environmental and regulatory risk

The group continues to evolve its ESG strategy, assisted by advisers as well as investing in additional internal resource, and will ensure that agreed strategies are well communicated, have external and internal stakeholder buy-in and are fully embedded in all aspects of the organisation.

The group has complied with all applicable legislation and regulations.

Political uncertainties

Whilst Brexit has inevitably increased the administrative burden of the group business and impacted lead times on certain products, it has not materially impacted the operations or profitability.

The impact of the ongoing Ukraine conflict to the market, supply chain and material cost continues to develop. There is undoubtedly cost pressure, particularly in respect of modular building materials. This risk is mitigated through contractual negotiation (both customer and supply side) and short dated quotes.

Credit risk

The group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers, with the main customer base being public bodies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group uses a mixture of long-term and short-term debt finance.

The group has considerable financial resources. As a consequence, the directors believe that the company is well placed to manage its liquidity risks successfully for the foreseeable future.

Contract risk

Successful completion of the contracts undertaken is key to the reputational and financial success of the business; it is critical that contracts are completed on time and to budget. The risk of unsuccessful contract performance is mitigated by senior management involvement in the Critical Projects Steering Board, which reviews all risk throughout the contract period.

Cyber risk

The company's group has maintained sufficient liquidity during the year and is projected to continue to generate cash for the foreseeable future. Therefore, the directors have concluded that no material uncertainty exists as to the ability of the group and company to continue as a going concern and that it remains appropriate to prepare the financial statements on that basis.

Going concern

The company's group has maintained sufficient liquidity during the year and is projected to continue to generate cash for the foreseeable future. Therefore, the directors have concluded that no material uncertainty exists as to the ability of the group and company to continue as a going concern and that it remains appropriate to prepare the financial statements on that basis.

ARMADA MIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

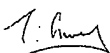
Statement by the directors in performance of their statutory duties in accordance with s172 (1) Companies Act 2006

The directors confirm that, during the period, they continued to promote the success of the company for the benefit of all stakeholders. In doing so, the Board's desire to act fairly for its sole member, maintain a reputation for high standards of business conduct, and consider the long-term consequences of the decisions they take, have underpinned the way it operates.

The company is a holding company for the principal subsidiaries as set out in Note 7 of the financial statements and has no employees. The company's parent and controlling party is Armada Topco Limited which controls the group. The company's main stakeholder is therefore the group and its subsidiaries. In addition to this, the other main stakeholder is the financial sponsor, iCON Infrastructure Partners V, L.P. and iCON Infrastructure Partners V-B, L.P.

The Board believe that effective communication and proactive engagement with the group and its subsidiaries and the financial sponsor is vital in establishing a mutual understanding of objectives. The group executive directors (Christopher Blackwell-Frost (appointed 1 January 2023), David Cole (resigned 31 December 2022) and Tobi Gowers) sit on the boards of each of the company, group and the company's subsidiaries. This forms the primary communication between all stakeholders and facilitates effective open, transparent and two-way engagement. Any appropriate feedback forms part of each board's strategic discussions. This structure supports the board in performing its duties in compliance with the matters set out in paragraphs a-f of section 172 of the Companies Act 2006 and to have regard for the interests of all key stakeholders, including on the principal decisions taken, subject to the necessary consents, items such as, strategic direction, entry into new territories and markets, payment of dividends, board appointments and approval of budgets and accounts.

On behalf of the board



.....
T Z Gowers
Director

Date: 30/05/23.....

ARMADA MIDCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company is that of a holding company.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

D J Cole	(Resigned 31 December 2022)
T Z Gowers	
C Blackwell-Frost	(Appointed 1 January 2023)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon reporting

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Future developments and principal risks and uncertainties

This information has been included in the strategic report as permitted by Companies Act 2006, s. 414C(11).

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 company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



T Z Gowers
Director

Date: 30/05/23

ARMADA MIDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the Strategic Report and the Directors' 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 company and of the profit or loss of the company 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARMADA MIDCO LIMITED

Opinion

We have audited the financial statements of Armada Midco Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including 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 company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARMADA MIDCO LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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 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 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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk 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 and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARMADA MIDCO LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and compliance with the Companies Act 2006 and Tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

TR Morgan

Thomas Morgan (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
2nd Floor
1 The Square
Temple Quay
Bristol
BS1 6DG
30/05/23.....

ARMADA MIDCO LIMITED

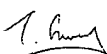
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

		Year ended 31 December 2022 £000	Period ended 31 December 2021 £000
	Notes		
Administrative expenses		(4)	(3)
Loss before taxation		(4)	(3)
Tax on loss	5	1	1
Loss for the financial year		(3)	(2)

ARMADA MIDCO LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Notes	2022 £000	£000	2021 £000	£000
Fixed assets					
Investments	6		51,200		51,200
Current assets					
Debtors	8	1		1	
Cash at bank and in hand		30		30	
		<u>31</u>		<u>31</u>	
Creditors: amounts falling due within one year	9	<u>(6)</u>		<u>(3)</u>	
Net current assets			25		28
Total assets less current liabilities			<u>51,225</u>		<u>51,228</u>
Capital and reserves					
Called up share capital	10		5		5
Share premium account	11		51,225		51,225
Profit and loss reserves	11		<u>(5)</u>		<u>(2)</u>
Total equity			<u>51,225</u>		<u>51,228</u>

The financial statements were approved by the board of directors and authorised for issue on 30/05/23 and are signed on its behalf by:



T Z Gowers
Director

ARMADA MIDCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital £000	Share premium account £000	Profit and loss reserves £000	Total £000
Period ended 31 December 2021:				
Loss and total comprehensive income for the period	-	-	(2)	(2)
Issue of share capital	5	51,225	-	51,230
Balance at 31 December 2021	5	51,225	(2)	51,228
Year ended 31 December 2022:				
Loss and total comprehensive income for the year	-	-	(3)	(3)
Balance at 31 December 2022	5	51,225	(5)	51,225

ARMADA MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Armada Midco Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Unit 1144 Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester, GL3 4AD.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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. The principal accounting policies adopted are set out below.

This 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:

- 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 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

The financial statements of the company are consolidated in the financial statements of Armada Topco Limited. These consolidated financial statements are available from its registered office, Unit 1144 Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester, GL3 4AD and Companies House.

Going concern

The company is a member of the Armada Topco Limited group of companies. The group has maintained sufficient liquidity throughout the year and is projected to continue in generating cash for the foreseeable future. The directors prepare detailed forecasts, extending beyond a period of 12 months from the approval of these financial statements, to assess cashflow of the group and also covenant compliance relating to the groups financing arrangements. The group continues to operate within its capabilities and within the part of the sector that it has built its reputation on over the last 20 years.

The group benefits from bank financing which is subject to cross guarantees against all entities in the group. The bank debt is subject to long term agreements with the group's bankers, who are supportive of the group and with whom the directors maintain regular dialogue.

Therefore, the directors have concluded that no material uncertainty exists as to the ability of the company to continue as a going concern and that it remains appropriate to prepare the financial statements on that basis.

ARMADA MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Reporting period

The previous accounting period covered from the date of incorporation 17 December 2020 to 31 December 2021 and is therefore not directly comparable.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Financial instruments

The company 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 when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 company after deducting all of its liabilities.

ARMADA MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including amounts owed to fellow group companies 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.

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

Finance costs are charged over the term of the debt using the effective interest rate method. Issue costs are recognised as a reduction in the proceeds of the associated capital instrument and amortised over the term of the debt.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

ARMADA MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Investment in subsidiary

Determine whether there are indicators of impairment of the company's investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

3 Employees

The company had no direct employees during the year. The directors of the company were remunerated by other group companies. No recharges were made to the company in respect of that remuneration.

4 Auditor's remuneration

Fees for the audit of the company of £4,000 (2021: £3,000), together with tax compliance services of £2,000 (2021: £2,000) and other services of £2,000 (2021: £2,000) were paid by a fellow group company.

5 Taxation

	2022 £000	2021 £000
Current tax		
Group tax relief	(1)	(1)

The total tax credit for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2022 £000	2021 £000
Loss before taxation	(4)	(3)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(1)	(1)
Taxation credit in the financial statements	(1)	(1)

ARMADA MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Taxation (Continued)

Factors that may affect future tax charges

The main rate of corporation tax in the UK increased from 19% to 25% on profits over £250,000 with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

6 Fixed asset investments

	Notes	2022 £000	2021 £000
Investments in subsidiaries	7	51,200	51,200

Movements in fixed asset investments

	Shares in group undertakings £000
Cost or valuation	
At 1 January 2022 & 31 December 2022	51,200
Carrying amount	
At 31 December 2022	51,200
At 31 December 2021	51,200

ARMADA MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Armada Bidco Limited	Unit 1144, Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester GL3 4AD	Holding company	Ordinary	100.00	-
Project Darwin Topco Limited	Unit 1144, Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester GL3 4AD	Holding company	Ordinary	-	100.00
Project Darwin Bidco Limited	Unit 1144, Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester GL3 4AD	Management services	Ordinary	-	100.00
Vanguard Healthcare Group Limited	Unit 1144, Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester GL3 4AD	Holding company	Ordinary	-	100.00
Vanguard Healthcare Solutions Limited	Unit 1144, Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester GL3 4AD	Flexible clinical infrastructure	Ordinary	-	100.00
Vanguard Healthcare Services Limited	Unit 1144, Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester GL3 4AD	Dormant	Ordinary	-	100.00
Q-bital Healthcare Solutions Pty Ltd	Level 21, 55 Collins Street, Melbourne VIC 3000	Flexible clinical infrastructure	Ordinary	-	100.00
Q-bital Healthcare Solutions (Netherlands) B.V.	Frieslandhaven 9, 3433 PC, Nieuwegein, The Netherlands	Flexible clinical infrastructure	Ordinary	-	100.00
Q-bital Healthcare Solutions (Sweden) AB	Mailbox 1445, 411 42 Goteburg, Sweden	Flexible clinical infrastructure	Ordinary	-	100.00

During December 2022, the directors carried out a group reorganisation in order to simplify the group structure and reduce the administrative burden borne by the group going forward. After the year end applications to strike off Project Darwin Topco Limited and Vanguard Healthcare Group Limited were submitted. Vanguard Healthcare Services Limited was dissolved on 14 March 2023.

8 Debtors

	2022 £000	2021 £000
Amounts falling due within one year:		
Amounts owed by group undertakings	1	1

9 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Amounts owed to group undertakings	6	3

ARMADA MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Share capital

	2022 Number	2021 Number	2022 £000	2021 £000
Ordinary share capital Issued and fully paid				
Ordinary shares of 1p each	512,299	512,299	5	5

Each share has full rights in the company with respect to voting, dividends and distributions.

11 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

12 Financial commitments, guarantees and contingent liabilities

National Westminster Bank plc holds a fixed and floating charge over all the property and undertakings of the company together with other group companies by way of a debenture.

13 Related party transactions

The company has taken the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group members.

14 Ultimate controlling party

The company's immediate parent company is Armada Topco Limited and its registered office is Unit 1144 Regent Court, The Square, Gloucester Business Park, Brockworth, Gloucester, GL3 4AD.

Armada Topco Limited is the smallest and largest company in which the accounts of Armada Midco Limited are consolidated. All consolidated accounts are available from Companies House.

The ultimate controlling parties are iCON Infrastructure Partners V, L.P. and iCON Infrastructure Partners V-B, L.P. which are entities resident in Guernsey with principal place of business at Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB.