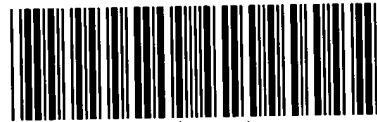


Limited Liability Partnership Registration No: OC333533

**United Medical Enterprises Group LLP**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2020**

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# United Medical Enterprises Group LLP

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# United Medical Enterprises Group LLP

## Company Information

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**Limited Liability Partnership Registration No:** OC333533

### Designated Members

United Medical Enterprises Group Limited BC343764 (Economic Member)

United Medical Enterprises Group (UK) Limited 06236505 (Managing Member)

### Registered Office

17 Harley Street  
London  
W1G 9QH

### Bankers

HSBC Bank plc  
The Boulevard  
Crawley  
West  
Sussex  
RH10 1UT

### Solicitors

Fieldfisher  
Riverbank House  
2 Swan Lane  
London  
EC4R 3TT

### Independent Auditor

Crossley Financial Accounting Limited  
Star House  
Star Hill  
Rochester, Kent  
ME1 1UX

# United Medical Enterprises Group LLP

## Members' report

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The members present their annual report, together with the financial statements and auditor's report, for the year ended 31 December 2020.

### Principal Activity

The principal activity of United Medical Enterprises LLP is to act as a holding company. During the year, the principal activities of the other entities within the group were the provision of services to or investment in healthcare services & facilities, and diagnostics & imaging. This included, but was not limited to, the medical sector, as determined by the members of the Limited Liability Partnership.

The subsidiary and related company undertakings principally affecting the results and net assets of the Group in the year are listed in note 20 of the financial statements.

### Review of business

The Group's results for the financial year are set out in the profit and loss account on page 6.

Despite the current uncertain economic environment and tough market conditions, the members are satisfied with the progress made by the Group in developing the out-patient clinics and imaging services and are confident that this business will continue to develop and grow. Although impairments were made in goodwill and investments in subsidiaries during the year, these relate to historical assets which are nearing the end of their life. Further property, plant and equipment were written off in the move from 27 Harley Street to 17 Harley Street. The COVID-19 pandemic in 2020 / 21 led to a curtailment of the pre-existing development plans. All efforts during 2021 were focussed on stabilising the financial performance of the clinic before further expansion will be considered. The stabilisation has progressed well during the year and will continue in 2022. The Economic member, United Medical Enterprises Group Limited (the BVI partner which provides funding to the group) has provided £3.4M in funding during 2019 and has provided an additional £5.7M (2020) and £283k (2021) in funding to further develop the Harley Street operations.

### Basis of preparation - Going concern

The Members are required to prepare the financial statements on a going concern basis unless it is not appropriate. The LLP is a subsidiary financed by its parent company United Medical Enterprises Group Limited. The Members have reviewed the going concern status of the partnership by considering the cash position and anticipated level of trading activity. The Group continues to have net current assets.

The Members consider that the outlook while improving with the relaxation of all COVID-19 measures, still presents challenges and uncertainty in terms of patient volumes over the coming months. The unprecedented and ever-changing impact of COVID-19, as well as a slowdown in the economy are all expected to impact on patient volumes. Whilst the Members have instigated measures to manage liquidity (described below), these circumstances create some uncertainties over future trading results and cash flows.

The Group meets its day to day working capital requirements not only from daily sales but also from a loan facility (repayable on demand) from the parent company. The support from the parent company has been demonstrated by the funding of £5.7M during 2020. Whilst the financial results relate to the 2020 year, the partnership's parent company has continued to support the Group throughout 2021 by providing a further funding of £0.3M whilst the business re-establishes itself in the new premises. The parent company has expressed its intention to provide on-going financial support to the Group, evidenced by a non-binding support letter, for a period of 12 months from the date of the signing of the financial statements.

The actions taken during 2020 and 2021 (to focus on the new facility at 17 Harley Street as well as minimise cash outgoings through a staff reduction plan) have created a strong foundation in a world class facility with state-of-the-art equipment from which the business moves into 2022. The 2022 budget was approved by the board at the beginning of the year and this sees the business operating on a cash positive basis throughout 2022 with profits starting to grow more rapidly during the latter half of the year.

The members have concluded that the combination of these circumstances represent an uncertainty that casts doubt upon the partnership's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the ordinary course of business. Nevertheless, after making enquiries, and considering the uncertainties described above, the members have a reasonable expectation that the partnership has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

### Post balance sheet events

Post balance sheet events are as detailed in note 19.

### Financial risk management

The Group's activities expose it to a number of financial risks including credit risk and liquidity risk.

#### Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful debts. An allowance for impairment is made where there is an identified loss which, based on previous experience, is evidence of a reduction in the recoverability of the receivables. In addition, a general provision is made based on historical payment profiles of debtors over a substantial period. The credit risk on liquid funds is limited because the investments are with banks of high credit standing. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The majority (85%) of revenue comes from private insurers and self pay patients. The major insurers are not considered to present a credit risk and the majority of self pay revenue is paid at the time of appointment.

# United Medical Enterprises Group LLP

## Members' report (continued)

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### Liquidity risk

The Group adopts a prudent approach to liquidity management by endeavouring to maintain sufficient cash and liquid resources to meet its obligations as they fall due. 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.

### Designated members

The designated members who served the LLP throughout the year and to the date of this report were as follows:

United Medical Enterprises Group Limited BC343764 (Economic Member)

United Medical Enterprises Group (UK) Limited 06236505 (Managing Member)

### Members' drawings and the subscription and repayment of members' capital

The members' agreement sets out that 100% of the profits realised in the income statement are allocated to members and therefore the full balance is shown as members' remuneration charged as an expense. The amount of capital contributions are determined by the members by reference to the members' agreement. As capital is repayable to members on cessation of their membership, it is classified as a liability.

### Auditor

The auditors, Crossley Financial Accounting Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Members' responsibilities statement in respect of the financial statements

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

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Members and signed on their behalf by the Management Committee.

Ali Tabbara

Ali Tabbara (Mar 31, 2022 08:36 EDT)

A Tabbara

For and on behalf of United Medical Enterprises Group (UK) Limited  
Managing Member

Mar 31, 2022

## **Independent auditor's report to the members of United Medical Enterprises Group LLP**

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### **Opinion**

We have audited the financial statements of United Medical Enterprises Group LLP (the 'Limited Liability Partnership') for the year ended 31 December 2020 which comprise the income statement, the statement of financial position, the statement of changes in member's interests 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 group' and of the limited liability partnership's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

### **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.

### **Material uncertainty related to going concern**

We draw attention to note 1 in the financial statements, which identifies significant challenges and uncertainty in terms of patient volumes over the coming months, and the requirement for ongoing parental support to meet day to day working capital requirements. As stated in note 1, these events or conditions, along with the other matters as set forth in note 1, indicate that material uncertainties exist that may cast significant doubt on the partnership's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **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 members 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 our audit:

- the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the members' 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 Limited Liability Partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the members' report.

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

- returns adequate for our audit have not been received from branches not visited by us; or
- the limited liability partnership's financial statements are not in agreement with the accounting records and returns; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships' regime.

### **Responsibilities of members for the financial statements**

As explained more fully in the members' responsibilities statement set out on page 3, the members 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 members 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 members are responsible for assessing the group's and the limited liability partnership'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 members either intend to liquidate the group or the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of 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.

## **Independent auditor's report to the members of United Medical Enterprises Group LLP**

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

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.

### **Risks**

Based on our understanding of the Limited Liability Partnership and industry, we identified that the principle risks of non-compliance with laws and regulations related to compliance with the Care Quality Commission and health and safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements of the Limited Liability Partnership.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

In addition, we considered provisions of other laws and regulations that do not have a direct impact on the financial statements but compliance with which may be fundamental to the Limited Liability Partnerships' ability to operate or to avoid a material penalty. These include data protection and employment and environmental regulations.

We evaluated managements incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, posting inappropriate journals entries to increase turnover or reduce expenditure, and management bias in accounting estimates and judgemental areas of the financial statements such as recoverability of customer debts, useful lives of tangible assets and valuation of investments held, therefore overall being the overstatement of assets.

### **Audit Response**

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of noncompliance with laws and regulations and fraud, and review of the reports made by management
- Understanding of management's internal controls designed to prevent and detect irregularities.
- Review of tax compliance
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of testing of expenses
- Testing transactions entered into outside the normal course of business
- placed on control within the audit approach. Substantive test of details are carried out, with a broad scope, in order to adequately explore all aspects of revenue recognition.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, by for example, forgery, or intentional misrepresentation, or though collusion.

### **Use of our report**

This report is made solely to the Limited Liability Partnership'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 Limited Liability Partnership'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 Limited Liability Partnership and the Limited Liability Partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**T Rose FCA, CTA (Senior Statutory Auditor)**

For and on behalf of Crossley Financial Accounting Limited

Chartered Accountants

Statutory Auditor

Star House  
Star Hill  
Rochester  
Kent, ME1 1UX

Date: 31 March 2022

# United Medical Enterprises Group LLP

## Consolidated profit and loss account For the year ended 31 December 2020

	Notes	2020	2019
		£	£
<b>Turnover</b>	2	<b>3,310,944</b>	5,714,587
<b>Cost of sales</b>		<b>(1,342,139)</b>	(2,393,034)
<b>Gross profit</b>		<b>1,968,805</b>	3,321,553
Net operating expenses			
Non-exceptional operating expenses		(5,298,722)	(5,826,253)
Other operating income		218,340	-
Exceptional operating expense: dilapidations		(276,448)	(1,355,929)
<b>Group operating profit loss</b>		<b>(3,388,025)</b>	(3,860,629)
Share of operating profit in joint ventures	11	<b>23,345</b>	31,847
<b>Total operating loss: group and share of joint ventures</b>		<b>(3,364,680)</b>	(3,828,782)
Loss on disposal of fixed assets	3	(376,304)	(52,763)
Interest receivable and similar income	6	-	-
Interest payable and similar charges	7	(6,777)	(3,904)
Revaluation of investments	11	-	(50,000)
<b>Loss before taxation</b>		<b>(3,747,761)</b>	(3,935,449)
<b>Tax on loss</b>	8	<b>-</b>	2,246
<b>Loss for the year before members' remuneration</b>		<b>(3,747,761)</b>	(3,933,203)
<b>Members' remuneration charged as an expense</b>		<b>3,747,761</b>	3,933,203
<b>Result for the year available for discretionary division among members</b>		<b>-</b>	-
The notes on pages 13-22 form part of these financial statements			



## United Medical Enterprises Group LLP

### Consolidated Statement of Comprehensive Income For the Year ended 31 December 2020

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	2020 £	2019 £
Result for the year available for discretionary division among members	-	-
Exchange differences on translation of foreign operations		
Net investments	-	(6,666)
Total recognised losses relating to the financial year	<u>-</u>	<u>(6,666)</u>

The notes on pages 13-22 form part of these financial statements

## United Medical Enterprises Group LLP

### Consolidated statement of changes in members' interests For the year ended 31 December 2020

	Members' capital classified as a liability	Loans and other debts due to / (from) members	Total
	£	£	£
<b>At 1 January 2019</b>	<b>45,515,549</b>	<b>(40,639,557)</b>	<b>4,875,992</b>
Members' remuneration charged as an expense	-	(3,933,203)	(3,933,203)
Exchange differences on translation of foreign operations	-	(6,666)	(6,666)
Introduced by members	-	3,556,685	3,556,685
<b>At 31 December 2019</b>	<b>45,515,549</b>	<b>(41,022,741)</b>	<b>4,492,808</b>
Members' remuneration charged as an expense	-	(3,747,761)	(3,747,761)
Exchange differences on translation of foreign operations	-	-	-
Introduced by members	-	5,671,248	5,671,248
<b>At 31 December 2020</b>	<b>45,515,549</b>	<b>(39,099,254)</b>	<b>6,416,295</b>

The notes on pages 13-22 form part of these financial statements

## United Medical Enterprises Group LLP

### Partnership statement of changes in members' interests For the year ended 31 December 2020

	Members' capital classified as a liability £	Loans and other debts due to/(from) members £	Total £
<b>At 1 January 2019</b>	<b>45,515,549</b>	<b>(36,490,031)</b>	<b>9,025,518</b>
Members' remuneration charged as an expense	-	(8,832,832)	(8,832,832)
Introduced by members	-	3,556,685	3,556,685
<b>At 31 December 2019</b>	<b>45,515,549</b>	<b>(41,766,178)</b>	<b>3,749,371</b>
Members' remuneration charged as an expense	-	(341,746)	(341,746)
Introduced by members	-	5,671,248	5,671,248
<b>At 31 December 2020</b>	<b>45,515,549</b>	<b>(36,436,676)</b>	<b>9,078,873</b>

The notes on pages 13-22 form part of these financial statements

# United Medical Enterprises Group LLP

## Consolidated balance sheet at 31 December 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	9	82,206	122,486
Tangible assets	10	5,279,500	2,206,727
Investments	11	608,236	735,416
		<u>5,969,943</u>	<u>3,064,629</u>
<b>Current assets</b>			
Debtors (amounts falling due within one year)	12	1,277,019	1,283,657
Debtors (amounts falling due in greater than one year)	12	457,694	439,340
Stock		33,656	40,014
Cash and cash equivalents	15	1,075,361	1,321,127
		<u>2,843,730</u>	<u>3,084,138</u>
<b>Creditors</b> (amounts falling due within one year)	13	(2,073,160)	(1,655,960)
<b>Net current assets</b>		<u>770,570</u>	<u>1,428,179</u>
<b>Total assets less current liabilities</b>		<u>6,740,512</u>	<u>4,492,808</u>
<b>Creditors</b> (amounts falling due after more than one year)	13	(324,217)	-
<b>Net assets attributable to members</b>		<u>6,416,295</u>	<u>4,492,808</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members</b>			
Members' capital classified as a liability		45,515,549	45,515,549
Loans and other debts due from members	5	(39,099,254)	(41,022,741)
		<u>6,416,295</u>	<u>4,492,808</u>
<b>Total members' interests</b>		<u>6,416,295</u>	<u>4,492,808</u>

The financial statements of United Medical Enterprises Group LLP, registered number OC333533, were approved by the Members, authorised for issue and signed on behalf of the Members by

Ali Tabbara  
Ali Tabbara (Mar 31, 2022 08:36 EDT)

A Tabbara  
For and on behalf of United Medical Enterprises Group (UK) Limited  
Managing Member  
Mar 31, 2022

The notes on pages 13-22 form part of these financial statements

## United Medical Enterprises Group LLP

### Partnership balance sheet at 31 December 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Investments	11 (a)	<u>585,408</u>	<u>735,416</u>
<b>Current assets</b>			
Debtors (amounts falling due within one year)	12	7,839,915	2,422,606
Cash and cash equivalents		<u>978,828</u>	<u>774,220</u>
		<u>8,818,743</u>	<u>3,196,826</u>
<b>Creditors (amounts falling due within one year)</b>	13	<u>(325,279)</u>	<u>(182,871)</u>
<b>Net current assets / (liabilities)</b>		<u>8,493,464</u>	<u>3,013,955</u>
<b>Net assets attributable to members</b>		<u>9,078,873</u>	<u>3,749,371</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members</b>			
Members' capital classified as a liability		45,515,549	45,515,549
Loans and other debts due from members	5	<u>(36,436,676)</u>	<u>(41,766,178)</u>
		<u>9,078,873</u>	<u>3,749,371</u>
<b>Total members' interests</b>		<u>9,078,873</u>	<u>3,749,371</u>

The LLP has taken advantage of the exemptions available in section 408 of the Companies Act 2006 from presenting an unconsolidated profit and loss account.

The financial statements of United Medical Enterprises Group LLP, registered number OC333533, were approved by the Members, authorised for issue and signed on behalf of the Members by

Ali Tabbara  
Ali Tabbara (Mar 31, 2022 08:36 EDT)

A Tabbara  
For and on behalf of United Medical Enterprises Group (UK) Limited  
Managing Member  
Mar 31, 2022

The notes on pages 13-22 form part of these financial statements

# United Medical Enterprises Group LLP

## Consolidated cash flow statement For the year ended 31 December 2020

	Notes	2020	2019
		£	£
<b>Cash flows from operating activities</b>			
Operating loss for the financial year		(3,747,761)	(3,860,629)
Adjustments for:			
Depreciation of property, plant and equipment	10	559,066	568,817
Amortisation of intangible assets	9	40,922	573,402
Impairment of intangible assets	9	-	1,355,930
Impairment of investments		127,180	-
Increase in stock		6,358	(40,014)
Increase in trade and other receivables		(344,884)	(584,748)
Bad debt expense		333,169	339,980
Increase in trade and other payables		741,417	923,749
Loss on disposal of assets		376,304	-
Other non-cash changes		-	(6,666)
		<u>1,839,532</u>	<u>3,130,449</u>
<b>Cash from operations</b>		<b>(1,908,229)</b>	<b>(730,180)</b>
<b>Net cash generated from operating activities</b>		<b>(1,908,229)</b>	<b>(730,180)</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	10	(4,072,523)	(1,756,582)
Purchase of software classified as intangible assets		(642)	(18,600)
Proceeds from sale of property, plant and equipment		64,380	7,000
Interest received		-	-
Dividends received from joint ventures		-	165,000
<b>Net cash from investing activities</b>		<b>(4,008,785)</b>	<b>(1,603,182)</b>
<b>Cash flows from financing activities</b>			
Introduced by members		5,671,248	3,556,685
Other interest paid		-	-
Finance lease interest repayment		-	(3,842)
Finance lease capital repayment		-	(124,486)
<b>Net cash generated from / (used in) financing activities</b>		<b>5,671,248</b>	<b>3,428,357</b>
<b>Net increase in cash and cash equivalents</b>	15	<b>(245,766)</b>	<b>1,094,995</b>
Cash and cash equivalents at beginning of year	15	<u>1,321,127</u>	<u>226,132</u>
<b>Cash and cash equivalents at end of year</b>		<b><u>1,075,361</u></b>	<b><u>1,321,127</u></b>

# United Medical Enterprises Group LLP

## Notes to the financial statements For the year ended 31 December 2020

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### 1 Accounting Policies

#### Statement of compliance

These financial statements were prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and the requirements of the Companies Act 2006 (as applied to LLPs).

The significant accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention.

United Medical Enterprises Group LLP is incorporated and domiciled in England. The registered office during the period was 17 Harley Street, Marylebone, London, W1G 9QH. The financial statements are presented in sterling, which is the functional currency of the LLP.

#### Consolidation

The consolidated financial statements incorporate the Financial statements of United Medical Enterprises Group LLP, its subsidiary undertakings and joint ventures and have been prepared in accordance with applicable accounting standards under the historical cost convention. Acquisition accounting has been used to account for acquisitions.

Upon acquisition of a subsidiary, the identifiable assets and liabilities and provisions for contingent liabilities of the subsidiary are not revalued to fair value and no additional goodwill is recognised at the date the controlling interest is increased.

#### Going Concern

The Members are required to prepare the financial statements on a going concern basis unless it is not appropriate. The LLP is a subsidiary financed by its parent company United Medical Enterprises Group Limited. The Members have reviewed the going concern status of the partnership by considering the cash position and anticipated level of trading activity. The Group continues to have net current assets.

The Members consider that the outlook while improving with the relaxation of all COVID-19 measures, still presents challenges and uncertainty in terms of patient volumes over the coming months. The unprecedented and ever-changing impact of COVID-19, as well as a slowdown in the economy are all expected to impact on patient volumes. Whilst the Members have instigated measures to manage liquidity (described below), these circumstances create some uncertainties over future trading results and cash flows.

The Group meets its day to day working capital requirements not only from daily sales but also from a loan facility (repayable on demand) from the parent company. The support from the parent company has been demonstrated by the funding of £5.7M during 2020. Whilst the financial results relate to the 2020 year, the partnership's parent company has continued to support the Group throughout 2021 by providing a further funding of £0.3M whilst the business re-establishes itself in the new premises. The parent company has expressed its intention to provide on-going financial support to the Group, evidenced by a non-binding support letter, for a period of 12 months from the date of the signing of the financial statements.

The actions taken during 2020 and 2021 (to focus on the new facility at 17 Harley Street as well as minimise cash outgoings through a staff reduction plan) have created a strong foundation in a world class facility with state-of-the-art equipment from which the business moves into 2022. The 2022 budget was approved by the board at the beginning of the year and this sees the business operating on a cash positive basis throughout 2022 with profits starting to grow more rapidly during the latter half of the year.

The members have concluded that the combination of these circumstances represent an uncertainty that casts doubt upon the partnership's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the ordinary course of business. Nevertheless, after making enquiries, and considering the uncertainties described above, the members have a reasonable expectation that the partnership has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### Turnover

Turnover is derived from the principal activities of the Group's subsidiary undertakings.

The turnover is principally derived from diagnostic scanning and outpatient consulting, the latter being primarily in the areas of cardiology, musculoskeletal medicine and ENT. Revenue is recognised upon performance of the service.

This represents the value of work done and services rendered in the financial year, excluding sales related taxes. Income is recognised at the point of delivery of services. All turnover originates in the United Kingdom.

#### Allocation of profits and members' interests

The profits and losses of the partnership must be divided among the members as follows:

- a) the first £10,000 of profit shall be distributed to United Medical Enterprises Group (UK) Limited;
- b) all remaining profits are to be distributed and all losses shall be allocated to United Medical Enterprises Group Limited.

Profits and losses are automatically allocated in full at the point the accounts are approved. There is no discretion over this within the agreement. The obligation is in existence at the year-end, as the profits or losses are earned.

#### Foreign currencies

Transactions denominated in foreign currencies are translated into sterling on the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates ruling at year-end. Exchange differences arising on the translation of the net investment in overseas subsidiary undertakings at the Balance Sheet date are taken to reserves.

# United Medical Enterprises Group LLP

## Notes to the financial statements For the year ended 31 December 2020

### 1 Accounting Policies (continued)

#### Investment property

Investment property is stated at cost less provision for any impairment in value.

#### Tangible fixed assets

Tangible fixed assets, except for freehold land, are stated at cost, net of depreciation and any provision for impairment. Freehold land is held at market value, with a revaluation being performed once every three years.

If the freehold land is revalued, the fair value changes are put through the profit and loss account.

Depreciation is provided on all tangible fixed assets, other than freehold land, to write off the cost less the estimated residual value by equal instalments over their estimated useful economic life as follows:

Leasehold improvements - shorter of the length of the lease and the expected useful life

Medical equipment - 3 - 15 years

Fixtures & fittings - 3 - 8 years

Land is not depreciated

#### Goodwill and intangible assets

The Group uses the purchase method to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Identifiable assets acquired and actual and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of the non controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

The useful economic life of Goodwill is thought by management to be 15 years. Therefore, it is written off over this period, on a straight line basis.

Impairment write-downs are recognised when the book value exceeds the higher of net realisable value and value in use. The value in use is determined by calculating the net present value of the cashflows from the assets from which the goodwill was generated.

#### Joint ventures

Joint ventures are accounted for using the equity method. The consolidated Profit and Loss account includes the Group's share of joint ventures' profits less losses while the Group's share of the net assets of the joint ventures is shown in the consolidated balance sheet. If the net assets of the joint venture fall below zero, no recognition of the investment is made in either the consolidated balance sheet or profit and loss account.

#### Current asset investments

Current asset investments are stated at the lower of cost and net realisable value.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and, in the prior year, short term deposits. Cash at bank and short-term investments with maturity of three months or less at time of investment are classified as cash. Longer term investments are shown under current asset investments.

Cash and cash equivalents does not include those short term deposits that represent cash committed for future development projects.

The Group routinely use short term bank overdraft facilities, as an integral part of their cash management policy. Therefore cash and cash equivalents in the cash flow statements are cash and deposits less bank overdrafts. Offset arrangements across group businesses have been applied to arrive at the net cash and overdraft figures.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. They are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Group or partnership has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. The interest element is charged to the Profit and Loss account over the period of the lease to produce a constant rate of charge on the balance of the capital repayments outstanding.

Operating lease rentals payable/receivable are charged/credited to the Profit and Loss account on a straight-line basis over the period of the lease.

#### Pension costs

The amount charged to the Profit and Loss account in respect of pension costs during the year relates to the contributions made to defined contribution schemes on behalf of the employees.



# United Medical Enterprises Group LLP

## Notes to the financial statements For the year ended 31 December 2020

### 1 Accounting Policies (continued)

#### Taxation including deferred taxation

Taxation for the Limited Liability Partnership, being the individual liability of each member, is not provided for in the Financial Statements. Current tax for the LLP's subsidiaries, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the LLP. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Critical accounting estimates and areas of judgement

The preparation of financial statements in conformity with FRS102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. Certain critical accounting judgements in applying the Group's accounting policies are described below:

- The charge in respect of depreciation on fixed assets is derived after determining an estimate of the asset's useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's tangible and intangible assets are determined at the time the asset is acquired and reviewed annually for appropriateness.
- Assessments of impairment of goodwill and investments are made by comparing the carrying value with the value in use. The value in use is determined by discounting future cashflows based on current forecasts which are discounted to present value using an appropriate discount rate. Assessments of impairment are made on an annual basis.
- The recognition of deferred tax assets is based on whether it is more likely than not that sufficient and suitable taxable profits will be available against which the reversal of temporary differences can be deducted.
- The amount of outstanding debtors are year end to provide for being potentially doubtful. The provision was based on the age of the debt, the policies of PMIs and any subsequent receipts after year end. Any debts older than a set period of days with PMIs and a portion of individual debt were included in the assessment of debt to be written off.

2 Group turnover analysis	2020 £	2019 £
Turnover analysis		
Diagnostics	3,310,944	5,714,587
	<u>3,310,944</u>	<u>5,714,587</u>

All turnover arises from the United Kingdom.

3 Loss before taxation	2019 £	2019 £
This is stated after charging:		
Depreciation of tangible fixed assets -		
Owned assets	568,254	320,817
Under finance lease	-	248,000
Amortisation of goodwill	-	573,402
Impairment or write-off of Goodwill	-	1,355,930
Loss on disposal of fixed assets	376,304	52,763
Operating lease charges -		
Land and building	1,328,306	978,861
Fees payable for the audit of parent LLP and consolidated Financial Statements (current auditor)	29,335	15,000
Fees payable for the audit of subsidiary undertakings pursuant to legislation (current auditor)	8,180	90,950
Tax compliance	-	7,500
Fees payable for the audit of parent LLP and consolidated Financial Statements (former auditor)	<u>75,513</u>	<u>-</u>

## United Medical Enterprises Group LLP

### Notes to the financial statements For the year ended 31 December 2020

#### 4 Profits of United Medical Enterprises Group LLP

Of the loss for the financial year, a loss of £341,746 (2019: £8,832,832) is dealt with in the accounts of United Medical Enterprises Group LLP. This includes £150,008 (2019: £8,839,501) for impairment of fixed asset investments, which is eliminated for consolidation purposes. The members have taken advantage of the exemption available under section 408 of the Companies Act 2006 and not presented a profit and loss account for the Limited Liability Partnership alone. They have also taken advantage of the exemption under FRS 102 from preparing a partnership cash flow statement.

5 Members' remuneration and employee and members' information	2020 £	2019 £
Staff costs for the group during the year:		
Wages and salaries	1,789,948	1,474,597
Social security costs	188,335	154,285
Defined contribution pension cost	44,038	55,054
	<b>2,022,321</b>	<b>1,683,936</b>
Average monthly number of people (including members) employed by the group		
	Number	Number
Development and Investment	1	1
Medical Diagnostics	31	30
	<b>32</b>	<b>31</b>
The average number of members during the year was	<b>2</b>	<b>2</b>

There were no outstanding or prepaid pension contributions at 31 December 2020 (2019: £nil).

None of the members received salaried remuneration during the year (2019 £nil).

The member which would receive the highest remuneration would be United Medical Enterprises Group (UK) Limited of £10,000 if such profit had been made as management partner in accordance with clause 16 the LLP agreement. In the event of a loss, all losses are allocated equally to the economic partners.

The average members' remuneration during the year was £(1,878,830) (2019: £(1,996,601)).

5 Members' remuneration and employee and members' information (continued)	2020 £	2019 £
Loans and other debtors due to / (from) members shown in the balance sheet can be broken down as follows:		
<b>Group</b>		
1) Amounts owed to BVI company	23,962,214	17,773,367
Loan note of £22.2M at 0% interest, with £4.4M repaid in 2014. 5 year agreement issued in 2012.	-	-
Loan from BVI company in 2019/2020	5,671,248	288,837
2020 management charge payable by UME PFI Investments Limited	-	5,900,010
<b>Total</b>	<b>29,633,462</b>	<b>23,962,214</b>
2) Amounts owed by BVI company		
Accumulated losses from 2007 to 2019	(64,984,955)	(61,045,084)
2020 losses and OCI	(3,757,659)	(3,939,871)
<b>Total</b>	<b>(68,742,614)</b>	<b>(64,984,955)</b>
<b>Other amounts total</b>	<b>(39,109,152)</b>	<b>(41,022,741)</b>
<b>Partnership</b>		
1) Amounts owed to BVI company		
Loan note of £22.2M at 0% interest, with £4.4M repaid in 2014. 5 year agreement issued in 2012.	23,962,214	17,773,367
Loan from BVI company in 2019/2020	5,671,248	288,837
Other intercompany balances, without agreements at 0% interest	-	5,900,010
<b>Total</b>	<b>29,633,462</b>	<b>23,962,214</b>
2) Amounts owed by BVI company		
Accumulated losses from 2007 to 2019	(65,729,392)	(56,895,560)
2020 losses and OCI	(341,746)	(8,832,832)
<b>Total</b>	<b>(66,071,138)</b>	<b>(65,728,392)</b>
<b>Other amounts total</b>	<b>(36,437,676)</b>	<b>(41,766,178)</b>

The loan is repayable on demand, however with the letter of support the parent has agreed to not recall the loan within the next 12 months after the approval of the financial statements.

# United Medical Enterprises Group LLP

## Notes to the financial statements

For the year ended 31 December 2020

<b>6</b>	<b>Interest receivable and similar income</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Bank interest receivable	-	-
		<u>-</u>	<u>-</u>
<b>7</b>	<b>Interest payable and similar charges</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Interest payable on bank loans and overdrafts	-	2
	Interest payable on finance leases	6,777	3,902
		<u>6,777</u>	<u>3,904</u>
<b>8</b>	<b>Tax on loss on ordinary activities</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Current tax		
	Share of joint venture		
	Current year	-	4,349
	Adjustment in respect of prior period	-	(4,720)
	Total current tax charge for the year	<u>-</u>	<u>(371)</u>
	Deferred tax		
	Share of joint venture	-	(1,875)
	Total deferred tax	<u>-</u>	<u>(1,875)</u>
		<u>-</u>	<u>(2,246)</u>
		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Loss on ordinary activities before tax - partnership	(191,738)	(420,561)
	Loss on ordinary activities before tax -subsidiaries	<u>(3,556,023)</u>	<u>(3,514,888)</u>
		<u>(675,644)</u>	<u>(667,829)</u>
	Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)		
	Effects of:		
	Adjustments to tax charge in respect of prior periods	-	(4,721)
	Capital allowances in excess of depreciation	-	15,768
	Other short-term timing differences	-	566
	Expenses not deductible for tax purposes	731,482	642,321
	Losses utilised	(2,228)	-
	Losses c/fwd	405,301	-
	Deferred tax assets not recognized on tax losses	-	153,042
	Share of partnership profits	(458,911)	(143,867)
	Consortium relief receivable (not paid)	-	4,349
	Deferred tax credit relating to timing differences	<u>-</u>	<u>(1,875)</u>
		<u>(0)</u>	<u>(2,246)</u>

None of the timing differences or unused tax losses have an expiry date.

During the year beginning 1 January 2021, the net reversal of deferred tax assets and liabilities is not expected to be significant.

A deferred tax asset has not been recognised for some of the group's entities in respect of timing differences relating to trading losses, depreciation in excess of capital allowances and other short term timing differences as, at this time, there is insufficient evidence that the asset will be recovered. The maximum amount of the asset not recognised is £2,622,685 (2019: £2,388,927). The asset would be recovered if sufficient taxable profits were made in the future against which the losses could be offset.

## United Medical Enterprises Group LLP

### Notes to the financial statements For the year ended 31 December 2020

9 Intangible Fixed Assets		Computer Software	Positive Goodwill	Negative Goodwill	Total
Group					
Cost					
At 1 January 2020		165,481	13,063,224	(304,763)	12,923,942
Additions		642	-	-	642
At 31 December 2020		<u>166,123</u>	<u>13,063,224</u>	<u>(304,763)</u>	<u>12,924,584</u>
Accumulated amortisation					
At 1 January 2020		42,995	13,063,224	(304,763)	12,801,456
Charge for the year		40,922	-	-	40,922
Impairment		-	-	-	-
At 31 December 2020		<u>83,917</u>	<u>13,063,224</u>	<u>(304,763)</u>	<u>12,842,378</u>
Net book value					
At 31 December 2020		<u>82,206</u>	<u>-</u>	<u>-</u>	<u>82,206</u>
At 31 December 2019		<u>122,486</u>	<u>-</u>	<u>-</u>	<u>122,486</u>

10 Tangible Fixed Assets		Leasehold improvements	Medical equipment	Fixtures & fittings	Construction WIP	Total
Group		£	£	£	£	£
Cost						
At 1 January 2020		2,671,178	3,186,306	390,084	1,439,476	7,687,044
Additions		1,286,125	2,512,939	273,459	-	4,072,523
Disposals		(2,885,427)	(2,933,572)	(157,855)	-	(5,976,854)
Transfer between categories		1,439,476	-	-	(1,439,476)	-
At 31 December 2020		<u>2,511,352</u>	<u>2,765,673</u>	<u>505,688</u>	<u>-</u>	<u>5,782,713</u>
Accumulated depreciation and impairment						
At 1 January 2020		2,380,480	2,839,358	260,479	-	5,480,317
Charge for the year		275,748	214,554	68,763	-	559,066
Disposals		(2,595,285)	(2,826,062)	(114,823)	-	(5,536,170)
At 31 December 2020		<u>60,943</u>	<u>227,851</u>	<u>214,419</u>	<u>-</u>	<u>503,213</u>
Net book value						
At 31 December 2020		<u>2,450,409</u>	<u>2,537,822</u>	<u>291,269</u>	<u>-</u>	<u>5,279,500</u>
At 31 December 2019		<u>290,698</u>	<u>346,948</u>	<u>129,605</u>	<u>1,439,476</u>	<u>2,206,727</u>

Assets held under finance leases capitalised and included in tangible fixed assets:		2020	2019
		£	£
Net book value		<u>-</u>	<u>130,460</u>

During the year, HSBC held a debenture secured as a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery. This debenture was satisfied after year end.

## United Medical Enterprises Group LLP

### Notes to the financial statements For the year ended 31 December 2020

11 Investments	Group		LLP	
	2020	2019	2020	2019
	£	£	£	£
<b>(a) Subsidiary undertakings</b>				
<b>Share in group undertakings</b>				
At 1 January	-	-	64,144,165	64,144,165
Transfers	-	-	-	-
Additions	-	-	-	-
At 31 December	-	-	64,144,165	64,144,165
<b>Provision for impairment</b>				
At 1 January	-	-	63,408,749	54,996,478
Transfers	-	-	-	-
Charge for the year	-	-	150,008	8,412,271
At 31 December	-	-	63,558,757	63,408,749
<b>Net book value</b>				
At 31 December	-	-	585,408	735,416
<b>(b) Interests in joint ventures</b>				
At 1 January	235,408	366,374	-	-
Movement (change in Net Assets of Meriden)	22,828	(130,966)	-	-
At 31 December	258,236	235,408	-	-
<b>(c) Investment properties</b>				
<b>Valuation</b>				
At 1 January	350,000	400,000	-	-
Revaluation	-	(50,000)	-	-
At 31 December	350,000	350,000	-	-
<b>(d) Other Investments</b>				
<b>Cost and Net Book Value</b>				
At 1 January	150,008	150,008	-	-
Impairment	(150,008)	-	-	-
Disposals	-	-	-	-
At 31 December	0	150,008	-	-
<b>Total Investments</b>	<b>608,236</b>	<b>735,416</b>	<b>585,408</b>	<b>735,416</b>

During 2017, UME Investment Co. Limited purchased 5,846 ordinary £1 shares of unlisted company LiveSmart UK Limited for consideration of £150,008, the investment has now been fully impaired.

The subsidiary and related company undertakings investments held in the year are listed in Note 20 of the financial statements.

Investment property consists of land, which is carried at fair value. The carrying value was written down in previous years, based on an independent third party valuation and offers made to acquire the land.

On an historical cost basis the land would be valued at £642,014 (2019: £642,014).

During the year management has carried out an impairment review for the investments in subsidiaries carried in the LLP balance sheet. The impairment review has considered cashflows from MedTel UK and its subsidiaries, Harley Street Medical Centre LLP and Meriden Hospital Advanced Imaging Centre Limited.

After performing this review, it has been decided that an impairment of £Nil (2019: £8,412k) would be made.

The following information is given in respect of the Group's share of joint ventures:

	Joint Ventures	
	2020	2019
	£	£
Turnover	520,010	652,764
Profit before taxation	59,281	31,788
Taxation	(36,453)	2,246
Profit after taxation	22,828	34,033
Fixed assets	84,185	79,859
Current assets	380,974	262,175
Liabilities due within one year	(192,274)	(106,626)
Provisions for liabilities	(14,649)	-

See Note 20 for details of investments in subsidiaries and joint ventures.

## United Medical Enterprises Group LLP

### Notes to the financial statements For the year ended 31 December 2020

12 Debtors	Group		LLP	
	2020 £	2019 £	2020 £	2019 £
<b>Amounts falling due within one year</b>				
Trade debtors - gross	1,765,527	941,671	-	-
Less: provision for bad debts	(1,293,112)	(529,237)	-	-
Trade debtors - net	472,415	412,434	-	-
Amounts due from joint venture parties	291,843	-	-	-
Amounts owed by group undertakings	-	-	7,830,990	2,389,040
Other debtors	335,258	190,653	8,925	18,323
Prepayments and accrued income	177,503	680,570	-	15,243
	<u>1,277,019</u>	<u>1,283,657</u>	<u>7,839,915</u>	<u>2,422,606</u>
<b>Amounts falling due after more than one year</b>				
Other debtors	457,694	439,340	-	-
	<u>457,694</u>	<u>439,340</u>	-	-

Other debtors (due within one year) relate to rental deposits and other rental debtors and VAT receivable.

Other debtors (due after one year) relate to rental deposits.

13 Creditors	Group		LLP	
	2020 £	2019 £	2020 £	2019 £
<b>Amounts falling due within one year</b>				
Finance lease obligations	-	5,277	-	-
Amounts owed to group undertakings	-	-	237,653	91,976
Trade creditors	623,691	781,066	26,659	4,419
Amounts owed to joint venture party	204,845	29,169	-	-
Other tax and social security payable	87,447	72,735	-	-
Other creditors	55,469	375,032	-	606
Accruals and deferred income	1,101,708	392,681	60,967	85,870
	<u>2,073,160</u>	<u>1,655,960</u>	<u>325,279</u>	<u>182,871</u>
<b>Amounts falling due after more than one year;</b>				
Other creditors	324,217	-	-	-
	<u>324,217</u>	-	-	-

In the event of a winding up of the LLP, unsecured creditors would rank below members in the distribution of the LLP's assets.

However, there is no restriction on members' ability to reduce the amount they are owed by the LLP, in order to increase amounts paid to unsecured creditors.

Howard De Walden Estates Ltd holds a charge for the rent deposit of £95,000 and all income and interest thereon. The rent deposit was repaid to the group post year end and therefore the charge has been settled post year end.

Gravis Capital Partners Limited Liability Partnership as Security Trustee holds a fixed charge over the Group, dated 16 June 2017.

Gravis Capital Partners LLP (for itself and as Security Trustee for and on Behalf of the Noteholders (Security Trustee) holds a charge dated 26 May 2011 over the group, in all the shares being the 24,307,540 ordinary shares in the issued share capital and all related rights.

## United Medical Enterprises Group LLP

### Notes to the financial statements For the year ended 31 December 2020

14 Bank and other borrowings	Group		LLP	
	2020	2019	2020	2019
	£	£	£	£
Due within one year or on demand				
Bank loans and overdrafts				
Finance lease obligations (note 15)	-	5,277	-	-
	-	5,277	-	-
Due after more than one year				
Finance lease obligations	-	-	-	-
	-	-	-	-
Total borrowings	-	5,277	-	-

The minimum lease payments under finance leases fall due as follows:	2020	2019
	£	£
Less than one year	-	5,934
In more than one year but not more than five years	-	-
Total gross payments	-	5,934
Future finance charges on finance leases	-	(657)
	-	5,277

#### Maturity of financial liabilities

The maturity profile of the carrying amount of the group's liabilities, gross of issue costs, at 31 December was as follows;

	2020	2019
	£	£
Less than one year	-	5,277
Between one and two years	-	-
In more than five years	-	-
	-	5,277

#### 15 Reconciliation in net debt

	At 01 January 2019	Cashflow	Non-cash movements	At 31 December 2019
	£	£	£	£
Cash in hand and at bank	226,132	1,094,995	-	1,321,127
	226,132	1,094,995	-	1,321,127
Finance leases due within one year	(124,486)	-	119,209	(5,277)
Finance leases due after one year	(5,277)	124,486	(119,209)	-
	96,369	1,219,481	-	1,315,850

	At 1 January 2020	Cashflow	Non-cash movements	At 31 December 2020
	£	£	£	£
Cash in hand and at bank	1,321,127	(245,766)	-	1,075,361
	1,321,127	(245,766)	-	1,075,361
Finance leases due within one year	(5,277)	5,277	-	-
Finance leases due after one year	-	-	-	-
	1,315,850	(240,489)	-	1,075,361

	2020	2019
	£	£
Net debt at 1 January	1,315,850	96,369
Increase in net cash	(245,766)	1,094,995
Movement in borrowings	5,277	124,486
Net debt at 31 December	1,075,361	1,315,850

	2020	2019
	£	£
Movement in borrowings		
Debt due after one year:		
Capital element of finance lease payment	-	(124,486)
Movement in borrowings	-	(124,486)

## United Medical Enterprises Group LLP

### Notes to the financial statements For the year ended 31 December 2020

#### 16 Operating Lease Commitments

At 31 December 2020 the group has lease agreements in respect of properties and plant and equipment which extend over a number of years.

	2020	2019
	Property £	Property £
Future minimum payments under non cancellable operating leases expiring:		
Within one year	737,447	790,410
Within one to five years	2,949,788	291,924
After five years	9,516,244	13,651,838
	<u>13,203,479</u>	<u>14,734,172</u>

#### 17 Capital commitments

Harley Street Medical Centre LLP had capital commitments at 31 December 2020 amounting to £471,600 (2019: £717,358).

#### 18 Related Party Transactions

The Group has taken advantage of the exemption available in FRS 102 relating to the disclosure of transactions between two or more members of the Group, provided that all subsidiaries party to the transaction are wholly owned by the group, not to disclose transactions provided that the consolidated financial statements in which that subsidiary is included are publicly available. Other than these transactions, the accounts include transactions and balances with related parties as follows:

	2020 £	2019 £
<b>Amounts due to/(from) United Medical Enterprises Group LLP from the following related parties:</b>		
United Medical Enterprises Group Limited BC343764	(29,633,462)	(23,962,214)
Meriden Hospital Advanced Imaging Centre Limited	86,998	(29,172)
<b>Costs incurred by the group and recharged to the following related parties:</b>		
Meriden Hospital Advanced Imaging Centre Limited	331,806	407,367

#### 19 Post Balance Sheet Events

The investment property is expected to be sold in 2022.

#### 20 Subsidiaries and Joint Ventures

At 31 December 2020 the Group held share capital in the following entities

Subsidiary and joint venture undertakings	Country of Incorporation	Class of share held	Proportion held by relevant parent undertaking	Nature of business activity
UME Investment Co. Limited (06181620)*	England	Ordinary shares	100%	Investment
United Medical Enterprises (Cyprus) Limited	Cyprus	Ordinary shares	100%	Health Services
UME Diagnostics Management Company Limited (06451324)*	England	Ordinary shares	100%	Property
United Medical Enterprises Limited (formerly UME Land Holdings Limited)*	England	Ordinary shares	100%	Dormant
UME Diagnostics Limited*	England	Ordinary shares	100%	Investment
Med-Tel UK Limited (03446473)*	England	Ordinary shares	100%	Diagnostic Imaging
Harley Street Medical Centre LLP (OC318561)*	England	Ordinary shares	100%	Diagnostic Imaging
Meriden Hospital Advanced Imaging Centre Limited #	England	Ordinary shares	50%	Diagnostic Imaging

\* Have claimed exemption from audit under Sections 476 and 477 of Companies Act 2006.

# Joint ventures

#### 21 Ultimate Parent Undertaking and Controlling Entity

The ultimate controlling entity and ultimate controlling party is United Medical Enterprises Group Limited BC343764, a company incorporated in the British Virgin Islands. United Medical Enterprises Group Limited BC343764 is the largest group in which the results of the LLP are consolidated.