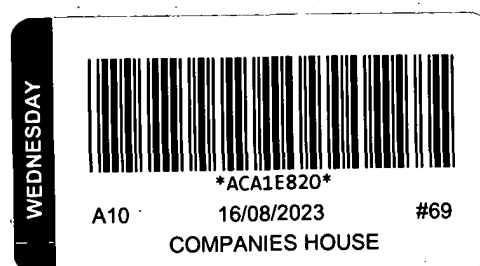


## Aquilant Endoscopy Limited

Directors' report and financial statements

Year ended 30 December 2022

**Registered number: 03402556**



# Aquilant Endoscopy Limited

## Directors' report and financial statements

<b>Contents</b>	<b>Page</b>
Directors and other information	<u>1</u>
Strategic report	<u>2</u>
Director's report	<u>4</u>
Statement of director's responsibilities in respect of the strategic report, the director's report and the financial statements	<u>6</u>
Independent Auditor's report to the members of Aquilant Endoscopy Limited	<u>7</u>
Profit and loss account and other comprehensive income	<u>10</u>
Balance Sheet	<u>11</u>
Statement of changes in equity	<u>12</u>
Notes forming part of the financial statements	<u>13</u>

# Aquilant Endoscopy Limited

## Directors and other information

### Directors

D Frederick (*resigned 28 April 2023*)  
T Rodgers (*resigned 28 April 2023*)  
N Pettitt (*appointed 31 December 2022*)  
D Boland (*appointed 28 April 2023*)

### Secretary

T Rodgers (*resigned 28 April 2023*)  
D Boland (*appointed 28 April 2023*)

### Registered office

Aquilant House  
Unit B1-B2 Bond Close  
Kingsland Business Park  
Basingstoke  
RG24 8PZ  
England

### Auditor

KPMG  
Chartered Accountants  
85 South Mall  
Cork  
Ireland

### Bankers

NatWest Bank plc  
6 Grange Road West  
Charing Cross  
Birkenhead  
CH41 4DF  
United Kingdom

Danske Bank  
3 Harbourmaster Place  
Dublin 1  
Ireland

### Solicitors

Simon Barrett  
BWH Legal  
Ashbrook House  
Westbrook Street  
Blewbury  
Oxfordshire, OX11 9QA  
United Kingdom

Eversheds Sutherlands  
1 Wood Street  
London, EC2V 7WS  
United Kingdom

### Registered number

03402556

# Aquilant Endoscopy Limited

## Strategic report

### Principal activities

The principal activities of the Company during the year ended 30 December 2022 continued to be the distribution of medical and surgical devices.

### Business review

The results for the year are set out in the profit and loss account and other comprehensive income on page 10. Key performance indicators as shown below.

The Company's turnover increased 14% from £10,313k in FY 21 to £11,765k in FY 22.

Gross profit increased 27% from £3,294k in FY 21 to £4,199k in FY 22.

The Company generated a profit before tax of £581k (2021: £518k). Transfer pricing and management service fees have been included as expenses in FY22. The net transfer pricing expense adjustments in FY22 were £2,761k (2021: £2,685k).

Total assets less current liabilities increased from £6,311k in FY 21 to 6,807k in FY 22.

### Principal risks and uncertainties

The Company has a comprehensive system of risk management and internal controls, which form an integral part of the business process. The risks and uncertainties which are currently judged to have the greatest impact on the Company's performance are noted below.

The Company faces competition in its various markets and if it fails to compete successfully, market share and profitability may decline.

The Company has a successful track record of managing these risks and uncertainties. The directors are confident that they have put in place a strong management team and appropriate mitigating measures capable of dealing with the below issues as they arise.

#### *Economic risk*

Deterioration in general economic conditions, or in the healthcare market in particular. The market for the Company's products is characterised by rapidly changing technology and product offerings. There can be no assurances that competitors of the Company will not succeed in offering more popular products than the Company.

#### *Financial risk*

The management of financial risks facing the Company is governed by policies reviewed and approved by the board of directors. These policies primarily cover liquidity risk, credit risk and currency risk. The primary objective of the Company's policies is to minimise financial risk at a reasonable cost. The Company does not trade in financial instruments. The Company uses cash resources and borrowings at prevailing rates to finance its operations. Trade debtors and creditors arise directly from operations on normal terms. The Company's exposure to price of financial instruments is therefore minimal.

The Company ensures that it has sufficient financing facilities available through cash flow generated from operating activities and cash pool facilities to meet its projected short and medium term funding requirements and avails of market interest rates. It has not entered into any long-term borrowing arrangements.

#### *Liquidity risk*

The Company uses cash resources to finance its operations. The Company ensures that it has sufficient financing facilities available through cash flow generated from operating activities or from group borrowings, if required, to meet its projected funding requirements.

## Aquilant Endoscopy Limited

### Strategic report (*continued*)

#### **Competition risk**

The Company faces competition in its various markets and if it fails to compete successfully, market share and profitability may decline. The directors of the Company manage competition risk through close attention to customer requirements and ensuring services provided by the Company satisfy such requirements.

#### **Currency risk**

The Company has purchases of goods and services denominated in currencies other than pounds sterling. The Company manages said payments through operation of other denominated currency bank accounts. As a result of the level of the Company's non-pound sterling purchases, financial assets and financial liabilities, and cash flows can be affected by movements in exchange rates.

On behalf of the board

D Boland  
Director

*David Boland*

23 June 2023

# Aquilant Endoscopy Limited

## Director's report

The directors present their directors' report and financial statements of Aquilant Endoscopy Limited ("the Company") for the year ended 30 December 2022.

### Results for the year

The results of the Company for the year are set out in the profit and loss account and balance sheet on pages 10 and 11, and in the related notes. Key performance indicators are outlined in the strategic report on page 2.

During the year, the Company made a net profit of £459k (2021: £419k). Transfer pricing and management service fees have been included as expenses in FY22. The net transfer pricing expense adjustments in FY22 were £2,761k (2021: £2,685k).

Shareholders' funds at 30 December 2022 amounted to £6,770k (2021: £6,311k).

### Directors and secretary and their interests

The directors and secretary who held office at 30 December 2022 had no interests other than those shown below, in the share capital of the Company or group companies.

The directors who served during the year were:

D Frederick

T Rodgers (director and secretary)

### Political contributions

The Company made no political contributions or incurred any political expenditure during the year (2021: £nil).

### Future developments

The directors consider both the results for the period and trading prospects to be satisfactory. It is the directors' intention to continue to develop the present activities of the Company.

### Research and development

The Company did not engage in research and development activities throughout the financial year (2021: £nil).

# Aquillant Endoscopy Limited

## Director's report *(continued)*

### Going concern

The financial statements have been prepared on a going concern basis. The Company has net assets of £6,770k (2021: €6,311k) and net current assets of £6,220k (2021: €5,936k) as at 30 December 2022. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. The Company has access to funding from fellow group entities as and when required to finance the payment of liabilities as they fall due. Given the financial interdependency with other Group companies, the directors have also considered the work carried out by Group management. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

### Key performance indicators

The key performance indicators used by management to monitor performance are as follows:

1. Gross margin and operating profit indicators;
2. Changes in sales volumes and sales prices.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's statutory auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's statutory auditor is aware of that information.

### Post balance sheet events

No significant events have occurred since 30 December 2022.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

On behalf of the board

*David Boland*

D Boland  
Director

23 June 2023

## Aquillant Endoscopy Limited

### Statement of director's responsibilities in respect of the strategic report, the director's report and the financial statements

The directors are responsible for preparing the strategic report, 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 they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

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 estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board

D Boland  
Director

*David Boland*

23 June 2023



KPMG

Audit  
85 South Mall  
Cork  
T12 A3XN  
Ireland

## Independent Auditor's report to the members of Aquilant Endoscopy Limited

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Aquilant Endoscopy Limited ("the Company") for the year ended 30 December 2022 set out on pages 10 to 25, which comprise the the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the Company's affairs as at 30 December 2022 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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 the date 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.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.



## Independent Auditor's report to the members of Aquilant Endoscopy Limited (continued)

### **Detecting irregularities including fraud**

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, environmental law.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We identified a fraud risk in relation to the Company increasing revenue through the posting of fictitious journal entries.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Other information**

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report.

The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.



Independent Auditor's report to the members of Aquilant Endoscopy Limited (*continued*)

**Opinions on other matters prescribed by the Companies Act 2006**

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements; and
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

**Respective responsibilities and restrictions on use**

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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.

A fuller description of our responsibilities is provided on FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>

**The purpose of our audit work and to whom we owe our responsibilities**

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

Celine Fox

for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

85 South Mall

Cork

T12 A3XN

26 June 2023

# Aquilant Endoscopy Limited

## Profit and loss account and other comprehensive income for the year ended 30 December 2022

	Note	2022 £ '000	2021 £ '000
<b>Turnover</b>	3	<b>11,765</b>	10,313
<b>Cost of Sales</b>		<b>(7,566)</b>	(7,019)
<b>Gross Profit</b>		<b>4,199</b>	3,294
Distribution costs	4	(2,281)	(1,858)
Administration expenses	4	(1,335)	(916)
<b>Operating Profit</b>		<b>583</b>	520
Interest receivable and similar income	5	1	—
Interest payable and similar charges	5	(3)	(2)
<b>Profit before taxation</b>		<b>581</b>	518
Tax on profit	9	(122)	(99)
<b>Profit for the financial year</b>		<b>459</b>	<b>419</b>

All amounts relate to continuing operations.

The notes on pages 13 to 25 form part of these financial statements.

# Aquilant Endoscopy Limited

## Balance Sheet

as at 30 December 2022

	Note	2022 £ '000	2021 £ '000
<b>Fixed Assets</b>			
Tangible assets	10	587	375
		587	375
<b>Current Assets</b>			
Stock	11	1,138	858
Debtors: amounts falling due within one year	12	13,469	9,743
Cash at bank and in hand	13	150	226
		14,757	10,827
Creditors: amounts falling due within one year	14	(8,537)	(4,891)
<b>Net current assets</b>		6,220	5,936
<b>Total assets less current liabilities</b>		6,807	6,311
<b>Provision for Liabilities - deferred taxation</b>	15	(37)	—
<b>Net Assets</b>		6,770	6,311
<b>Capital and Reserves</b>			
Called up share capital	17	—	—
Other reserves		23	23
Profit and loss account		6,747	6,288
<b>Shareholders' Funds</b>		6,770	6,311

The notes on pages 13 to 25 form part of these financial statements.

The financial statements were approved by the board of directors on 23 June 2023 and were signed on its behalf by:

On behalf of the board

*David Boland*

D Boland  
Director

Registered number: 03402556

# Aquilant Endoscopy Limited

## Statement of changes in equity for the year ended 30 December 2022

	Called up share capital £ '000	Other reserves £ '000	Profit and loss account £ '000	Total equity £ '000
<b>Balance at 31 December 2020</b>	—	23	5,869	<b>5,892</b>
<b>Total comprehensive income for the year</b>				
Profit for the financial year	—	—	419	<b>419</b>
Comprehensive income	—	—	—	—
<b>Total comprehensive income for the year</b>	—	—	419	<b>419</b>
<b>Balance at 30 December 2021</b>	—	23	6,288	<b>6,311</b>
<b>Balance at 31 December 2021</b>	—	23	6,288	<b>6,311</b>
<b>Total comprehensive income for the year</b>				
Profit for the financial year	—	—	459	<b>459</b>
Comprehensive income	—	—	—	—
<b>Total comprehensive income for the year</b>	—	—	459	<b>459</b>
<b>Balance at 30 December 2022</b>	—	23	6,747	<b>6,770</b>

The notes on pages 13 to 25 form part of these financial statements.

# Aquilant Endoscopy Limited

## Notes

### 1 General information

Aquilant Endoscopy Limited ("the Company") is a private company limited by shares and incorporated, domiciled and registered in the United Kingdom. The address of the registered office is Aquilant House, Unit B1-B2 Bond Close, Kingsland Business Park, Basingstoke, RG24 8PZ. The Company registration number is 3402556.

### 2 Accounting policies

#### 2.1 Introduction

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, unless otherwise noted, are set out below.

#### 2.2 Basis for preparation

These financial statements were prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). There have been no material departures from the standard. The presentation currency of these financial statements is British Pounds. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate holding undertaking, Addlife AB, includes the Company in its consolidated financial statements. The consolidated financial statements of Addlife AB are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Brunkebergstorg 5, Stockholm, Sweden. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 2.3 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 2.4 Going concern

The financial statements have been prepared on a going concern basis. The directors have reviewed the current position and cash flow projections of the Company. The Company has net assets of £6,770k (2021: €6,311k) and net current assets of £6,220k (2021: €5,936k) as at 30 December 2022. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. The Company has access to funding from fellow group entities as and when required to finance the payment of liabilities as they fall due. Given the financial interdependency with other Group companies, the directors have also considered the work carried out by Group management. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

# Aquillant Endoscopy Limited

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.5 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### *Sale of goods*

Revenue from sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing marginal involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### *Rendering of services*

Revenue from transactions to provide services is recognised rateably over the life of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the transaction can be measured reliably.

#### 2.6 Non-current assets

##### *Tangible fixed assets*

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

	2022	2021
Office equipment	33 %	33 %
Computer equipment	33 %	33 %
Engineering equipment	33 %	33 %
Equipment stock	33 %	33 %
Fixtures and fittings	20 %	20 %

# Aquilant Endoscopy Limited

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.6 Non-current assets (continued)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'other operating income/(expense)'.

#### 2.7 Leased assets

##### Leased assets

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

##### Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset. The Company has no sale and leaseback transactions.

#### 2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis and includes expenditure incurred in acquiring the stocks, production and conversion costs, and other costs incurred in bringing them to their existing location and condition.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

# Aquilant Endoscopy Limited

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.9 Basic financial instruments

##### *Trade and other debtors/creditors*

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade and other debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents.

#### 2.10 Foreign currency translation

##### *Functional and presentation currency*

##### *Transactions and balances*

Foreign currency transactions are translated into functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value is determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

#### 2.11 Employee benefits

##### *Defined contribution retirement benefit plan*

The Company operates a defined contribution plan for its employees. A defined contribution plan is a retirement benefit plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

Contributions are recognised as an expense in the profit and loss account and other comprehensive income when they fall due. Amounts not paid are shown as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

# Aquilant Endoscopy Limited

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account and other comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Restructuring provisions are recognised when the Company has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring. Provisions are not made for future operating losses.

#### 2.13 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted

##### **Current tax**

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### **Deferred tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

# Aquillant Endoscopy Limited

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.14 Impairment of financial assets excluding stocks and deferred tax assets

Financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

### 3 Turnover

Turnover represents the amounts derived from the provision of services which fall within the Company's ordinary activities, stated net of trade discounts, trade rebates and exclusive of VAT and other sales taxes or duties.

	2022 £ '000	2021 £ '000
An analysis of turnover by class of business is as follows:		
Sales and servicing of medical equipment	11,765	10,313
	<b>11,765</b>	<b>10,313</b>
Analysis of turnover by country of destination:		
United Kingdom	11,765	10,313
	<b>11,765</b>	<b>10,313</b>

### 4 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after (crediting)/charging:

	2022 £ '000	2021 £ '000
Car lease expense	84	72
Rent expense	33	33
Depreciation of tangible fixed assets	369	160

# Aquilant Endoscopy Limited

## Notes (continued)

### 5 Interest income/expenses

#### (a) Interest payable and similar charges

	2022 £ '000	2021 £ '000
Bank interest payable	3	2
Bank interest payable	3	2

#### (b) Interest receivable and similar charges

	2022 £ '000	2021 £ '000
Intercompany Loan Interest	1	—
	1	—

### 6 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of Employees	
	2022	2021
Administration	4	3
Selling & Distribution	26	26
	30	29

The aggregate payroll costs of these persons were as follows:

	2022 £ '000	2021 £ '000
Wages and salaries	1,412	1,299
Social insurance costs	179	156
Contributions to defined contribution plans	49	46
	1,640	1,501

# Aquilant Endoscopy Limited

## Notes (continued)

### 7 Auditor's remuneration

	2022 £ '000	2021 £ '000
Fees for audit of company	20	17
Taxation services	2	12
	<u>22</u>	<u>29</u>

Audit fees are based on an allocation across the Group, allocated on an estimate of work carried out for each entity.

### 8 Directors' remuneration

	2022 £ '000	2021 £ '000
Remuneration and other emoluments	65	61
Company contributions to defined contribution retirement	<u>5</u>	<u>—</u>
	<u>70</u>	<u>61</u>

The Company has not paid any fees or other remuneration to directors related to the directorship role they provided to the Company as part of their group wide executive management role. The above amounts are an estimated allocation of the emoluments paid or payable to those individuals in relation to their group wide executive management role. The estimated allocation is based on an estimate of the qualifying services, including management of the affairs of the Company, they provided during the financial year.

# Aquilant Endoscopy Limited

## Notes (continued)

### 9 Taxation

	2022 £ '000	2021 £ '000
<b>Corporate tax</b>		
Current tax on profit for the year	21	51
Adjustments in respect of previous periods	—	—
<b>Total current tax charge</b>	<b>21</b>	<b>51</b>
<b>Deferred tax (see note 15)</b>		
Origination and reversal of timing differences	101	48
<b>Total deferred tax charge/(credit)</b>	<b>101</b>	<b>48</b>
<b>Taxation on profit on ordinary activities</b>	<b>122</b>	<b>99</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021: £99k) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £ '000	2021 £ '000
<b>Profit on ordinary activities before taxation</b>	<b>581</b>	<b>517</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	110	98
Expenses not deductible for tax and other purposes	12	1
<b>Total tax charge of the year</b>	<b>122</b>	<b>99</b>

**Aquilant Endoscopy Limited****Notes** *(continued)***10 Tangible fixed assets**

	Fixtures, fittings and equipment £ '000	Office equipment £ '000	Computer equipment £ '000	Engineering equipment £ '000	Equipment Stock £ '000	Total £ '000
<b>Cost</b>						
At 30 December 2021	35	12	2	41	4,105	4,194
Additions	—	—	—	—	581	581
Disposals	—	—	—	—	—	—
<b>At 30 December 2022</b>	<b>35</b>	<b>12</b>	<b>2</b>	<b>41</b>	<b>4,686</b>	<b>4,775</b>
<b>Depreciation</b>						
At 30 December 2021	35	7	2	41	3,734	3,819
Charge for year	—	3	—	—	366	369
Disposals	—	—	—	—	—	—
<b>At 30 December 2022</b>	<b>35</b>	<b>10</b>	<b>2</b>	<b>41</b>	<b>4,100</b>	<b>4,188</b>
<b>Net book value</b>						
At 30 December 2021	—	5	—	—	371	375
<b>At 30 December 2022</b>	<b>—</b>	<b>2</b>	<b>—</b>	<b>—</b>	<b>586</b>	<b>587</b>

# Aquilant Endoscopy Limited

## Notes (continued)

### 11 Stocks

	2022 £ '000	2021 £ '000
Finished goods and goods for resale	1,138	858

#### Replacement costs of stock

There are no material differences between the replacement cost of stock and the balance sheet amounts. The value of finished goods recognised as cost of sales in the year amounted to £5,189k (2021: £4,739k).

### 12 Debtors: amounts due within one year

	2022 £ '000	2021 £ '000
Trade debtors	1,813	584
Amounts owed by group undertakings (a)	11,233	8,510
Deferred taxation asset (note 15)	—	64
Prepayments and accrued income	11	25
Corporation tax	412	374
VAT receivable	—	186
	13,469	9,743

(a) Amounts owed by group undertakings are on demand, unsecured and interest free.

### 13 Cash and cash equivalents

	2022 £ '000	2021 £ '000
Cash at bank and in hand	150	226

# Aquilant Endoscopy Limited

## Notes (continued)

### 14 Creditors : amounts falling due within one year

	2022 £ '000	2021 £ '000
Trade creditors	1,143	837
Amounts owed to a group undertakings (a)	4,381	1,507
Accruals and deferred income	2,726	2,532
Taxation and social security (b)	287	15
	<b>8,537</b>	<b>4,891</b>

(a) Amounts owed to group undertakings are repayable on demand, unsecured and interest free

(b) Taxation and social security.

	2022 £ '000	2021 £ '000
PAYE	15	15
VAT	272	—
	<b>287</b>	<b>15</b>

### 15 Deferred taxation

	2022 £ '000	2021 £ '000
At the beginning of the year	64	112
(Charged)/credited to profit or loss (note 9)	(101)	(48)
	<b>(37)</b>	<b>64</b>

The deferred tax liabilities is made up as follows:

	2022 £ '000	2021 £ '000
Accelerated capital allowances	(37)	64
Other timing differences	—	—
	<b>(37)</b>	<b>64</b>

### 16 Retirement benefits

Retirement benefits for persons providing services to the Company are funded through defined contribution retirement schemes, the assets of which are vested in independent trustees for the benefit of such persons and their dependents. The retirement benefit costs charge in the statement of comprehensive income are set out in note 6.

# Aquilant Endoscopy Limited

## Notes (continued)

### 17 Share capital

	2022 £ '000	2021 £ '000
<b>Authorised, allotted, called up and fully paid</b>		
50 ordinary shares of £1 each	—	—

### 18 Commitments under operating leases

At 30 December 2022 the Company had future minimum lease payments under non-cancellable operating leases as follows

	2022 £ '000	2021 £ '000
<b>Property rental</b>		
Not later than 1 year	33	33
Between two and five years	133	133
Greater than five years	125	167
	<hr/>	<hr/>
	291	333
	<hr/>	<hr/>

### 19 Post balance sheet events

No significant event occurred since 30 December 2022.

### 20 Ultimate holding undertaking and holding undertaking of larger group

The Company is a subsidiary undertaking of Healthcare Acquisitions Limited. The ultimate controlling party is AddLife AB Group.

The smallest and largest group in which the results of the Company are consolidated is AddLife AB Group, registered at Brunkebergstorg 5, Stockholm, Sweden. No other group financial statements include the results of the Company. The AddLife AB Group consolidated financial statements are available at Brunkebergstorg 5, Stockholm, Sweden.

### 21 Related party transactions

During the year, the Company entered into transactions, in the ordinary course of business, with other group companies. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 102.331(a) not to disclose transactions with fellow owned subsidiaries. There were no director's loans or other arrangements with directors in the year.

### 22 Approval of financial statements

The board of directors approved the financial statements on 23 June 2023.