

Registered number: 06555907

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



THE ADAMS AND LEE DENTAL PRACTICE LIMITED

COMPANY INFORMATION

Directors M L Allan (appointed 12 September 2022)
S Barter (resigned 29 November 2022)
P A Crockard
G Pueyo Roberts (resigned 31 July 2022)
S L Ramage
J S H Wright
F Zaheer (appointed 29 November 2022)

Company secretary Bupa Secretaries Limited

Registered number 06555907

Registered office Bupa Dental Care
Vantage Office Park
Old Gloucester Road, Hambrook
Bristol
BS16 1GW

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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THE ADAMS AND LEE DENTAL PRACTICE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Principal activity

The principal activity of the Company is that of the operation of dental practices.

The Directors do not anticipate any material change in the Company's activities in the ensuing year.

The Company incurred significant losses in 2022, as a result of accounting for an onerous lease provision of £95,880. The provision was the result of macroeconomic factors, as well as ongoing challenges in workforce availability. During 2022, inflation rose sharply resulting in higher central bank interest rates, leading to increased cost of capital which reduces the valuation of Dental practices for impairment testing. Furthermore, there were operational challenges, in particular below target recruitment, as well as increasing wage and energy costs, resulting in lower projected cash flows.

Directors

The Directors who served during the year were:

M L Allan (appointed 12 September 2022)
S Barter (resigned 29 November 2022)
P A Crockard
G Pueyo Roberts (resigned 31 July 2022)
S L Ramage
J S H Wright
F Zaheer (appointed 29 November 2022)

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26 June 2023 and signed on its behalf.



J S H Wright
Director

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	913,457	1,155,241
Cost of sales		(486,406)	(649,409)
Gross profit		427,051	505,832
Administrative expenses		(440,563)	(379,567)
Exceptional administrative expenses	5	(95,880)	-
Operating (loss)/profit	6	(109,392)	126,265
Tax on (loss)/profit	8	(4,530)	(31,319)
(Loss)/profit for the financial year		(113,922)	94,946
Total comprehensive (expense)/income for the year		(113,922)	94,946

The notes on pages 5 to 15 form part of these financial statements.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED
REGISTERED NUMBER: 06555907

BALANCE SHEET
AS AT 31 DECEMBER 2022


	Note	2022 £	2021 £
Fixed assets			
Intangible assets	9	253,292	285,792
Tangible assets	10	217,794	112,570
		<u>471,086</u>	<u>398,362</u>
Current assets			
Stocks	11	22,096	21,701
Debtors: amounts falling due within one year	12	1,090,546	1,077,107
Cash at bank and in hand	13	1,445	382
		<u>1,114,087</u>	<u>1,099,190</u>
Creditors: amounts falling due within one year	14	(801,314)	(721,161)
Net current assets		<u>312,773</u>	<u>378,029</u>
Total assets less current liabilities		<u>783,859</u>	<u>776,391</u>
Provisions for liabilities			
Deferred tax	15	(33,244)	(7,734)
Other provisions	16	(95,880)	-
Net assets		<u>654,735</u>	<u>768,657</u>
Capital and reserves			
Called up share capital	17	100	100
Profit and loss account		654,635	768,557
Shareholders' funds		<u>654,735</u>	<u>768,657</u>

The Directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2023.


J S H Wright
 Director

The notes on pages 5 to 15 form part of these financial statements.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	100	673,611	673,711
Comprehensive income for the year			
Profit for the year	-	94,946	94,946
	<hr/>	<hr/>	<hr/>
At 1 January 2022	100	768,557	768,657
Comprehensive expense for the year			
Loss for the year	-	(113,922)	(113,922)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	100	654,635	654,735
	<hr/>	<hr/>	<hr/>

The notes on pages 5 to 15 form part of these financial statements.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

1. General information

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is: Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest pound (£) except where otherwise indicated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of The Oasis Healthcare Group Limited as at 31 December 2022 and these financial statements may be obtained from Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.

2.3 Going concern

The financial statements have been prepared on a going concern basis as the Company is in a position to meet its obligations as they fall due.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

2. Accounting policies (continued)

2.4 Revenue

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 as 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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion 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 contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Intangible assets

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Statement of Comprehensive Income over its estimated economic life.

2.6 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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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:

Leasehold improvements	- over 15 years straight line
Fixtures and fittings	- 3 - 15 years straight line

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

2. Accounting policies (continued)

2.7 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. Work in progress and finished goods include labour and attributable overheads.

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.

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

2. Accounting policies (continued)

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension 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.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.15 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Due to the nature of the Company's business, the Directors do not consider there to be key judgments or sources of estimation uncertainty in preparing the financial statements.

4. Turnover

The whole of the turnover is attributable to the operation of dental practices.

All turnover arose within the United Kingdom.

5. Exceptional items

	2022 £	2021 £
Onerous lease provision	95,880	-

6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2022 £	2021 £
Other operating lease rentals	26,220	23,797

7. Employees

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	180,219	156,329
Social security costs	14,941	12,935
Cost of defined contribution scheme	4,962	4,258
	200,122	173,522

The average monthly number of employees, including the Directors, during the year was as follows:

	2022 No.	2021 No.
	7	7

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

8. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on losses/profits for the year	(20,987)	27,047
Adjustments in respect of previous periods	7	(352)
Total current tax	(20,980)	26,695
Deferred tax		
Origination and reversal of timing differences	19,909	3,664
Changes to tax rates	6,122	982
Adjustments in respect of prior periods	(521)	(22)
Total deferred tax	25,510	4,624
Taxation on loss/profit on ordinary activities	4,530	31,319

Factors affecting tax charge for the year

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

	2022 £	2021 £
(Loss)/profit on ordinary activities before tax	(109,392)	126,265
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(20,784)	23,990
Effects of:		
Expenses not deductible for tax purposes	26,027	7,302
Adjustments in respect of deferred tax of prior periods	(521)	(22)
Adjustments in respect of current income tax of prior periods	7	(352)
Non-assessable income	(6,321)	(1,455)
Changes in tax rates	6,122	1,856
Total tax charge for the year	4,530	31,319

Factors that may affect future tax charges

The UK corporation tax rate will increase from 19% to 25% with effect from 1 April 2023. Deferred tax on temporary differences expected to reverse after this date are recognised at 25%.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

9. Intangible assets

	Goodwill £
Cost	
At 1 January 2022	650,000
At 31 December 2022	650,000
Amortisation	
At 1 January 2022	364,208
Charge for the year on owned assets	32,500
At 31 December 2022	396,708
Net book value	
At 31 December 2022	253,292
At 31 December 2021	285,792

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

10. Tangible fixed assets

	Fixtures and fittings £	Leasehold improvements £	Total £
Cost or valuation			
At 1 January 2022	178,756	132,298	311,054
Additions	77,532	53,285	130,817
At 31 December 2022	<u>256,288</u>	<u>185,583</u>	<u>441,871</u>
Depreciation			
At 1 January 2022	109,099	89,385	198,484
Charge for the year on owned assets	18,378	7,215	25,593
At 31 December 2022	<u>127,477</u>	<u>96,600</u>	<u>224,077</u>
Net book value			
At 31 December 2022	<u>128,811</u>	<u>88,983</u>	<u>217,794</u>
At 31 December 2021	<u>69,657</u>	<u>42,913</u>	<u>112,570</u>

11. Stocks

	2022 £	2021 £
Raw materials and consumables	15,426	15,829
Finished goods and goods for resale	6,670	5,872
	<u>22,096</u>	<u>21,701</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

12. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	43,220	17,630
Amounts owed by group undertakings	1,032,015	1,051,958
Prepayments and accrued income	15,311	7,519
	<u>1,090,546</u>	<u>1,077,107</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

13. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>1,445</u>	<u>382</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,411	33,980
Amounts owed to group undertakings	754,040	630,679
Corporation tax	6,067	33,400
Accruals and deferred income	37,796	23,102
	<u>801,314</u>	<u>721,161</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

15. Deferred taxation

	2022 £	2021 £
At beginning of year	7,734	3,110
Charged to profit or loss	25,510	4,624
At end of year	<u>33,244</u>	<u>7,734</u>

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

15. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	33,244	7,734

16. Provisions

	Onerous lease provision £
At 1 January 2022	-
Charged to profit or loss	95,880
At 31 December 2022	95,880

The onerous lease provision has been determined after reviewing the lease end date for each practice and calculating the expected discounted cashflows for that period. If negative cashflows arose, an onerous lease provision was accounted for, taking the lower of the 'value in use' and the lease liability.

17. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 (2021 - 100) ordinary shares of £1 each	100	100

18. Contingent liabilities

Under a group registration, the Company is jointly and severally liable for Value Added Tax due by certain other Bupa Group undertakings.

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £4,962 (2020 - £4,258). At the year end, there were outstanding contributions of £nil (2021 - £nil).

THE ADAMS AND LEE DENTAL PRACTICE LIMITED

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

20. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	27,000	23,600
Later than 1 year and not later than 5 years	108,000	94,400
Later than 5 years	56,441	72,934
	<u>191,441</u>	<u>190,934</u>

21. Ultimate parent company and controlling party

The Company's immediate parent company is Oasis Dental Care (Central) Limited, a company incorporated in England and Wales. The Company's ultimate parent undertaking is The British United Provident Association Limited, a company incorporated in England and Wales.

The smallest group for which group financial statements will be prepared is The Oasis Healthcare Group Limited. The largest group for which group financial statements will be prepared is The British United Provident Association Limited. The financial statements of The British United Provident Association Limited may be obtained from its registered office at 1 Angel Court, London, EC2R 7HJ.

The financial statements of The Oasis Healthcare Group Limited may be obtained from its registered office at Bupa Dental Care, Vantage Office Park, Old Gloucester Road, Hambrook, Bristol, BS16 1GW.