

Registration number: 08909365

PREPARED FOR THE REGISTRAR
ECCLES BIDCO LIMITED
(FORMERLY INTEGRAL MEDICAL HOLDINGS (BIDCO) LIMITED)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT



ECCLES BIDCO LIMITED

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ECCLES BIDCO LIMITED

COMPANY INFORMATION

Director A Hudaly

Registered office 10th Floor
1 City Approach
Albert Street
Eccles
Manchester
M30 0BG

Accountants Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

ECCLES BIDCO LIMITED**(REGISTRATION NUMBER: 08909365)
BALANCE SHEET AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	<u>33,010</u>	<u>48,538</u>
Current assets			
Debtors	5	46,676	625,442
Cash at bank and in hand		<u>104,658</u>	<u>29,444</u>
		151,334	654,886
Creditors: Amounts falling due within one year	6	<u>(11,527,130)</u>	<u>(23,758,535)</u>
Net current liabilities		<u>(11,375,796)</u>	<u>(23,103,649)</u>
Total assets less current liabilities		(11,342,786)	(23,055,111)
Creditors: Amounts falling due after more than one year	6	<u>-</u>	<u>(4,424,007)</u>
Net liabilities		<u>(11,342,786)</u>	<u>(27,479,118)</u>
Capital and reserves			
Called up share capital		39,615	39,615
Profit and loss account		<u>(11,382,401)</u>	<u>(27,518,733)</u>
Total equity		<u>(11,342,786)</u>	<u>(27,479,118)</u>

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities:

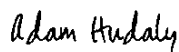
- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

8/12/2021

Approved and authorised by the director on



.....
A Hudaly
Director

The notes on pages 3 to 8 form an integral part of these financial statements.

ECCLES BIDCO LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The company was formerly known as Integral Medical Holdings (Bidco) Limited.

The address of its registered office is:

10th Floor
1 City Approach
Albert Street
Eccles
Manchester
M30 0BG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

These financial statements are consolidated in the financial statements of Malling Group Limited.

The financial statements of Malling Group Limited may be obtained from Companies House.

Going concern

The wider group now has a strategy of focusing on higher margin contracts in locations where it can create positive relationships with commissioners, particularly in services such as Out of Hours, Urgent Care and Nursing Home cover.

Investor support remains strong and this has allowed this change in strategy that is beginning to show benefits. The Group generated an EBITDA of £1.9m for the year ended 31 March 2021 and is forecast to continue to record profitable monthly results during the year ending 31 March 2022 and 31 March 2023 and be EBITDA positive for that year as a whole.

Budgets have been prepared that show the Group has adequate resources to meet liabilities as they fall due for at least 12 months from the date of signing these financial statements and is expected to continue its growth as a profitable combined entity.

The Group's ultimate controlling party has also indicated a willingness to provide a degree of further funding should the need arise and therefore whilst the group's shareholder loans are due for repayment in March and November 2021, repayment of capital will only be made to the extent the group's operating cash flows allow.

In light of the above, the directors have concluded that it is appropriate to prepare the financial statements on a Going Concern Basis.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

ECCLES BIDCO LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Tax

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

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 company. 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.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold property	10% straight line
Plant and machinery	25% straight line
Fixtures and fittings	25% straight line
Computer equipment	33% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

ECCLES BIDCO LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings 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 company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

ECCLES BIDCO LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****Financial instruments (continued)*****Impairment***

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was as follows:

	2021	2020
	No.	No.
Average number of employees	<u>1</u>	<u>25</u>

ECCLES BIDCO LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****4 Tangible assets**

	Freehold property £	Furniture, fittings and equipment £	Computer equipment £	Total £
Cost				
At 1 April 2020 and at 31 March 2021	<u>39,285</u>	<u>46,348</u>	<u>158,646</u>	<u>244,279</u>
Depreciation				
At 1 April 2020	9,911	39,197	146,633	195,741
Charge for the year	<u>3,928</u>	<u>3,914</u>	<u>7,686</u>	<u>15,528</u>
At 31 March 2021	<u>13,839</u>	<u>43,111</u>	<u>154,319</u>	<u>211,269</u>
Carrying amount				
At 31 March 2021	<u>25,446</u>	<u>3,237</u>	<u>4,327</u>	<u>33,010</u>
At 31 March 2020	<u>29,374</u>	<u>7,151</u>	<u>12,013</u>	<u>48,538</u>

5 Debtors

	Note	2021 £	2020 £
Trade debtors		14,629	195,535
Other debtors		-	17,367
Prepayments and accrued income		32,047	62,689
Deferred tax assets		<u>-</u>	<u>349,851</u>
		<u>46,676</u>	<u>625,442</u>

6 Creditors

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	7	5,308,809	-
Trade creditors		368,310	552,552
Amounts due to related parties		5,735,429	23,071,436
Outstanding defined contribution pension costs		90,797	-
Accrued expenses		<u>23,785</u>	<u>134,547</u>
		<u>11,527,130</u>	<u>23,758,535</u>
Due after one year			
Loans and borrowings	7	<u>-</u>	<u>4,424,007</u>

ECCLES BIDCO LIMITED**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****7 Loans and borrowings**

	2021 £	2020 £
Current loans and borrowings		
Other borrowings	5,308,809	-
	<u>5,308,809</u>	<u>-</u>
Non-current loans and borrowings		
Other borrowings	-	4,424,007
	<u>-</u>	<u>4,424,007</u>

Other loans relates to loan notes with a principal amount of £2,910,806 (2020 - £2,910,806) that are redeemable in full in November 2021. Interest accrues at a rate of 20% per annum, payable in arrears.

Interest of £2,398,003 (2020 - £1,513,201) has accrued on these notes as at 31 March 2021 and has been capitalised.

The loans are secured by fixed and floating charges over various of the group's properties.

8 Financial commitments, guarantees and contingencies**Amounts not provided for in the balance sheet**

The company is bound by an intra-group cross guarantee in respect of loan note debt with other members of the group headed by its ultimate parent undertaking, Malling Group Limited. The amount guaranteed at 31 March 2021 is £24,246,333 (2020 - £22,097,733) and is secured by a debenture over the assets and undertakings of certain companies in the group.

9 Parent and ultimate parent undertaking

The company's immediate parent is Eccles Midco Limited, incorporated in England and Wales.

The ultimate parent is Malling Group Limited, incorporated in England and Wales.

The ultimate controlling party is David Hudaly.

10 Disclosure under Section 444(5B) CA 2006

As permitted by Section 444 CA 2006, these accounts do not contain a copy of the company's Profit and Loss account or a copy of the Directors' Report. These accounts are unaudited.