

eClinicalWorks UK Private Limited

Report and Financial Statements

Period Ended

31 December 2015

Company Number 09427573



eClinicalWorks UK Private Limited

Report and financial statements for the period ended 31 December 2015

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Directors

R Dharampuriya
G Navani
M Navani
eClinicalWorks LLC

Registered office

c/o Bryan Cave, 88 Wood Street, London, EC2V 7AJ

Company number

09427573

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

eClinicalWorks UK Private Limited

Report of the directors for the period ended 31 December 2015

The directors present their report together with the audited financial statements for the period ended 31 December 2015. The company was incorporated on 9 February 2015 and commenced trading on 27 February 2015.

Results

The income statement is set out on page 5 and shows the loss for the period.

Principal activity

The principal activity of the company in the period under review is to provide cloud solutions to the healthcare industry.

Directors

The directors of the company during the period and up to date of this report were:

R Dharampuriya	(appointed 9 February 2015)
G Navani	(appointed 9 February 2015)
M Navani	(appointed 9 February 2015)
eClinicalWorks LLC	(appointed 9 February 2015)

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

eClinicalWorks UK Private Limited

Report of the directors for the period ended 31 December 2015 (continued)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP, who were appointed as first auditors of the company by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

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

On behalf of the Board

M Navani



Director

Date

September 30, 2016

eClinicalWorks UK Private Limited

Independent auditor's report

TO THE MEMBERS OF ECLINICALWORKS UK PRIVATE LIMITED

We have audited the financial statements of eClinicalWorks UK Private Limited for the period ended 31 December 2015 which comprise the income statement, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This 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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

Based on our knowledge and understanding of the company and its environment obtained during the course of the audit we have identified no material misstatements in the directors' report.

eClinicalWorks UK Private Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the director's report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

David Butcher (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

30 September 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

eClinicalWorks UK Private Limited

Income statement for the period ended 31 December 2015

	Note	£
Turnover		287,525
Cost of sales		(195,057)
Gross profit		92,468
Administrative expenses		(410,820)
Operating loss	3	(318,352)
Interest receivable and similar income		1,104
Loss on ordinary activities before taxation		(317,248)
Taxation on loss from ordinary activities		-
Loss for the period after taxation		(317,248)

All amounts relate to continuing activities.

The notes on pages 7 to 11 form part of these financial statements.

eClinicalWorks UK Private Limited

Balance sheet
at 31 December 2015

Company number 09427573	Note	£	£
Fixed assets			
Tangible assets	4		4,714
Current assets			
Debtors	5	244,015	
Cash at bank		17,429	
		<u>261,444</u>	
Creditors: amounts falling due within one year	6	<u>(415,621)</u>	
Net current liabilities			<u>(154,177)</u>
Net liabilities			<u>(149,463)</u>
Capital and reserves			
Called up share capital	7		1
Capital contribution			167,784
Profit and loss account			<u>(317,248)</u>
Shareholders' deficit			<u>(149,463)</u>

These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved by the Board of Directors and authorised for issue on *September 30, 2016*.

M Navani

M Navani
Director

The notes on pages 7 to 11 form part of these financial statements.

eClinicalWorks UK Private Limited

Notes forming part of the financial statements for the period ended 31 December 2015

1 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A Small Entities.

The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

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.

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. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Computer equipment - 20% 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 within 'other operating income' in the Statement of comprehensive income.

Operating leases: Lessee

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

eClinicalWorks UK Private Limited

Notes forming part of the financial statements for the period ended 31 December 2015 (*continued*)

1 Accounting policies (*continued*)

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.

Financial instruments

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

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 Profit and loss account.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

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.

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change 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.

eClinicalWorks UK Private Limited

Notes forming part of the financial statements for the period ended 31 December 2015 (*continued*)

1 Accounting policies (*continued*)

Current and deferred taxation (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

Foreign currencies

The presentation currency is £ sterling.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2 Employees

Number

The average number of employees including directors during the period was as follows:

Consultancy staff

1

eClinicalWorks UK Private Limited

Notes forming part of the financial statements
for the period ended 31 December 2015 (*continued*)

3	Operating profit	£
	The operating profit is stated after charging:	
	Depreciation - owned assets	715
	Auditors' remuneration	14,500
	Foreign exchange differences	3,385
	Land and buildings - operating leases	113,136
		<hr/>
4	Tangible assets	Computer equipment £
	<i>Cost</i>	
	Additions and at 31 December 2015	5,429
		<hr/>
	<i>Depreciation</i>	
	Charge for the period and at 31 December 2015	715
		<hr/>
	<i>Net book value</i>	
	At 31 December 2015	4,714
		<hr/>
5	Debtors	£
	Amounts falling due within one year:	
	Trade debtors	97,851
	Other debtors	30,738
	Taxation and social security	34,220
	Prepayments and accrued income	81,206
		<hr/>
	Total debtors	244,015
		<hr/>
6	Creditors: amounts falling due within one year	£
	Trade creditors	39,503
	Amounts owed to group undertakings	347,488
	Social security and other tax	2,100
	Accruals and deferred income	26,530
		<hr/>
		415,621
		<hr/>

Amounts due to group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

eClinicalWorks UK Private Limited

Notes forming part of the financial statements
for the period ended 31 December 2015 (*continued*)

7 Share capital

	Allotted, called up and fully paid Number	£
Ordinary shares of £1 each	1	1

On 9 February 2015, the company issued 1 ordinary share of £1 each for a total consideration of £1.

8 Commitments under operating leases

As at 31 December 2015, the company had total future minimum commitments under non-cancellable operating leases as set out below:

	Land and buildings £
Less than 1 year	55,923

9 Control

eClinicalWorks LLC is the company's ultimate parent and controlling party by virtue of its interest in 100% of the issued share capital in the company. eClinicalWorks LLC, a company formed in the United States of America, which is the parent of both the largest and smallest groups of which the company is a member. The address of eClinicalWorks LLC is 2 Technology Drive, Westborough, 01581, MA, USA.

10 Related party disclosures

The company has taken advantage of the exemption conferred by FRS 102 Section 33 "Related Party Disclosures" paragraph 33.1A not to disclose transactions with group companies on the grounds that 100% of the voting rights in the company are controlled by the group.