

Company Registration No. 10788058 (England and Wales)

MYA Clinics Ltd

**Annual report and financial statements
for the year ended 30 November 2020**

MYA Clinics Ltd

Company information

Directors	Esta Rea John Ryan
Secretary	Darren Bellwood
Company number	10788058
Registered office	1 Cardale Park Beckwith Head Road Harrogate North Yorkshire HG3 1RY
Independent auditor	Saffery Champness LLP Mitre House North Park Road Harrogate North Yorkshire HG1 5RX

MYA Clinics Ltd

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MYA Clinics Ltd

Strategic report

For the year ended 30 November 2020

The directors present the strategic report for the year ended 30 November 2020.

Fair review of the business

The directors are of the opinion that the trading performance for the year to 30 November 2020 represents a fair result for the business whilst continuing to make positive changes whilst operating within the business sector which continues to go through significant change whilst also adjusting to a COVID dominated world.

The business is focused on delivering happiness through healthcare. We support the World Health Organisation's interpretation of good health and believe that cosmetic surgery is perfectly placed to live up to these objectives and to make a profound positive difference to the health and wellbeing of individuals. As mental health and general wellbeing is better understood so will be the important role that cosmetic surgery plays in society.

"Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being without distinction of race, religion, political belief, economic or social condition".

Principal risks and uncertainties

Any plans made going into 2020 were materially affected by the COVID pandemic. This resulted in businesses having to cease certain operations and private healthcare was materially affected. For several months of 2020 operating capability was removed although patient care and contact was maintained.

Fortunately, during the financial period and ahead of the COVID pandemic, the business continued with streamlining the business to create a much more flexible and dynamic business. This was a plan to futureproof the business and make it fit for purpose in a digital age. The closure of our southern operating facility was to be the start of a journey of change within the business which continued throughout the period. The level of changes made significantly moved the business model in a positive manner away from what has been seen as the norm within the private sector of cosmetic surgery for many years.

A key driver for this change was to address the losses incurred as the business has been operating with a fixed and disproportionate cost base. A fundamental shift and investment had to take place before operational changes could follow, the further development of e-consultations and centralisation of services needed to be effective before the old clinic administration centre model could be changed.

The changes made significantly rebase the cost structure, creating a robust and financially sound, flexible business that can adapt quickly to changes which may affect the market sector in either direction. Given the scale of change we first tried to get support through agreement but then needed the added protection of a restructuring support mechanism. After seeking advice, we reluctantly entered into a CVA in January 2020. Whilst this was not the desired route the CVA was passed with overwhelming support from our creditors.

With the unforeseen event for all of Covid-19 in the spring of 2020, which has had profound impact on the UK and world economies (which continues today), the business further accelerated digital change allowing a further modernisation of the business model. As a result, the business returned to a sustainably profitable position during the second half of 2020.

The business is focused on being profitable as well as safe, effective, caring, responsive and well lead. The business continues to invest in technology, processes and people to ensure that high standards are maintained with one eye on future developments whilst also addressing an area of potential risk. It remains important to continue to invest in the clinical, compliance and operational arms of the business.

The business continues to manage this risk by embracing the change, participating in committees linked to the ongoing development as well as refining the business to be able to demonstrate objectively clinical excellence.

Key performance indicators

The business has undertaken a fundamental change in approach. Rather than focusing on continuing to grow turnover and keep adding clinics and hospitals to the portfolio the management focused on creating a more flexible and dynamic business with investment in technology and a reduction in more 'traditional' overheads. This change in approach required a review of the historic infrastructure and practices and time to implement significant operational changes to re-align them with the new strategy. This strategy offers greater futureproofing and growth opportunities once now the change has been implemented.

The business has a series of actions to continue to focus on:

- a. Proportionate and flexible overheads.
- a. Improved asset utilisation.
- a. Improved volume.
- a. Improved communication and experience.
- b. Technology to be continuously developed and deployed to assist all of the above.

Other information and explanations

Future developments

The business will continue to improve in all core areas with key projects focusing on:

- To create a brand with a distinct and positive identity.
- To build flexible operating capacity.
- To aggregate and offer centralised services with an enhanced technology experience.
- To continue to ensure that patients are carefully assessed medically and to further engage with medical professionals and when appropriate divert patients to other treatment plans rather than surgery.
- To further develop the medical team of surgeons and other healthcare professionals who specialise in cosmetic surgery and harness their passion to create the number one cosmetic surgery service in the UK.
- Focus on objective measures of patient satisfaction and clinical outcomes to ensure that a consistently high standard is maintained.
- To build a community of patients and to support their healthcare needs.
- To modernise the patient experience through the continued implementation of technology.
- To ensure that a long-term sustainable model is created with an appropriate price point to reflect a quality service.

MYA Clinics Ltd

Strategic report (continued)

For the year ended 30 November 2020

On behalf of the board

Esta Rea

Director

29 November 2021

MYA Clinics Ltd

Directors' report

For the year ended 30 November 2020

The directors present their annual report and financial statements for the year ended 30 November 2020.

Principal activities

The principal activity of the company is that of cosmetic surgery services and related procedures. In July 2018 the trade and assets of MYA Cosmetic Surgery Limited was transferred to this company.

Results and dividends

The results for the year are set out on page 11.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Esta Rea
John Ryan

Future developments

The business will continue to improve in all core areas with key projects focusing on:

- To create a brand with a distinct and positive identity.
- To build flexible operating capacity.
- To aggregate and offer centralised services with an enhanced technology experience.
- To continue to ensure that patients are carefully assessed medically and to further engage with medical professionals and when appropriate divert patients to other treatment plans rather than surgery.
- To further develop the medical team of surgeons and other healthcare professionals who specialise in cosmetic surgery and harness their passion to create the number one cosmetic surgery service in the UK.
- Focus on objective measures of patient satisfaction and clinical outcomes to ensure that a consistently high standard is maintained.
- To build a community of patients and to support their healthcare needs.
- To modernise the patient experience through the continued implementation of technology.
- To ensure that a long-term sustainable model is created with an appropriate price point to reflect a quality service.

Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

MYA Clinics Ltd

Directors' report (continued)
For the year ended 30 November 2020

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Esta Rea
Director

29 November 2021

MYA Clinics Ltd

**Directors' responsibilities statement
For the year ended 30 November 2020**

The directors are responsible for preparing the annual 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 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

MYA Clinics Ltd

Independent auditor's report To the members of MYA Clinics Ltd

Opinion

We have audited the financial statements of MYA Clinics Ltd (the 'company') for the year ended 30 November 2020 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

As disclosed in note 1.2 to these financial statements, the company is currently part of a Creditors Voluntary Arrangement and is dependent upon the support of its parent entity and ultimate shareholders for ongoing support, which represent material uncertainties in relation to going concern. Our audit report is not modified in respect of these matters.

Independent auditor's report (continued)

To the members of MYA Clinics Ltd

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

MYA Clinics Ltd

Independent auditor's report (continued)

To the members of MYA Clinics Ltd

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 or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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.

Martin Holden (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

30 November 2021

Chartered Accountants
Statutory Auditors

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

MYA Clinics Ltd

Income statement

For the year ended 30 November 2020

		Year ended 30 November 2020 £	Period ended 30 November 2019 £
	Notes		
Turnover	3	10,123,754	29,846,986
Cost of sales		(5,803,546)	(15,059,136)
Gross profit		<u>4,320,208</u>	<u>14,787,850</u>
Administrative expenses		(6,800,015)	(16,625,171)
Other operating income		464,901	21,250
Restructuring costs	4	(508,787)	(4,244,707)
Exceptional item	4	161,000	-
Operating loss	5	<u>(2,362,693)</u>	<u>(6,060,778)</u>
Interest payable and similar expenses	8	(32,032)	(67,739)
Loss before taxation		<u>(2,394,725)</u>	<u>(6,128,517)</u>
Tax on loss	9	-	-
Loss for the financial year		<u><u>(2,394,725)</u></u>	<u><u>(6,128,517)</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

MYA Clinics Ltd

**Statement of financial position
As at 30 November 2020**

			2020	2019
	Notes	£	£	£
Fixed assets				
Tangible assets	10		270,822	454,831
Current assets				
Stocks	12	67,714	54,188	
Debtors	13	1,417,067	1,150,814	
Cash at bank and in hand		425,533	560,277	
		<u>1,910,314</u>	<u>1,765,279</u>	
Creditors: amounts falling due within one year	14	<u>(10,654,378)</u>	<u>(8,348,627)</u>	
Net current liabilities			<u>(8,744,064)</u>	<u>(6,583,348)</u>
Total assets less current liabilities			<u>(8,473,242)</u>	<u>(6,128,517)</u>
Creditors: amounts falling due after more than one year	15	(50,000)		-
Net liabilities			<u><u>(8,523,242)</u></u>	<u><u>(6,128,517)</u></u>
Capital and reserves				
Profit and loss reserves			<u><u>(8,523,242)</u></u>	<u><u>(6,128,517)</u></u>

MYA Clinics Ltd

Statement of financial position (continued)

As at 30 November 2020

The financial statements were approved by the board of directors and authorised for issue on 29 November 2021 and are signed on its behalf by:

Esta Rea

Director

Company Registration No. 10788058

MYA Clinics Ltd

**Statement of changes in equity
For the year ended 30 November 2020**

	Profit and loss reserves
	£
Balance at 1 June 2018	-
Period ended 30 November 2019:	
Loss and total comprehensive income for the period	(6,128,517)
	<hr/>
Balance at 30 November 2019	(6,128,517)
Year ended 30 November 2020:	
Loss and total comprehensive income for the year	(2,394,725)
	<hr/>
Balance at 30 November 2020	(8,523,242)
	<hr/> <hr/>

MYA Clinics Ltd

Statement of cash flows
For the year ended 30 November 2020

		2020	2019
	Notes	£	£
Cash flows from operating activities			
Cash (absorbed by)/generated from operations	23	(171,484)	2,015,283
Interest paid		(32,032)	(67,739)
Net cash (outflow)/inflow from operating activities		(203,516)	1,947,544
Investing activities			
Purchase of tangible fixed assets		(82,851)	(1,395,928)
Proceeds on disposal of tangible fixed assets		108,841	159
Net cash generated from/(used in) investing activities		25,990	(1,395,769)
Financing activities			
Cash inflows from new loans		50,000	-
Payment of finance leases obligations		(7,428)	8,502
Net cash generated from financing activities		42,572	8,502
Net (decrease)/increase in cash and cash equivalents		(134,954)	560,277
Cash and cash equivalents at beginning of year		560,277	-
Cash and cash equivalents at end of year		425,333	560,277
CASH FLOW OUT OF BALANCE BY:		(210)	-

MYA Clinics Ltd

**Notes to the financial statements
For the year ended 30 November 2020**

1 Accounting policies

Company information

MYA Clinics Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 1 Cardale Park, Beckwith Head Road, Harrogate, North Yorkshire, HG3 1RY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

MYA Clinics Ltd is a wholly owned subsidiary of MYA Group Limited and the results of MYA Clinics Ltd are included in the consolidated financial statements of MYA Group Limited which are available from the registered office.

1 Accounting policies (continued)

1.2 Going concern

These financial statements are prepared on the going concern basis, notwithstanding the net liabilities of £8,523,031. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern as set out below.

The company's profitability and ability to generate cash are dependent upon the number of procedures taking place and the level of forward bookings and resultant deposits. The company has been impacted by the Coronavirus pandemic and the ongoing operational impact of this continues to present an uncertainty in relation to cash generation.

The company entered into a Company Voluntary Arrangement (CVA) in January 2020, and as a result of this has negotiated a schedule of payments covering a number of period end balances, however certain creditors remain subject to final agreement. The agreed and estimated payments have been included within the company's cash flow forecasts and the going concern assumption continues to be dependent upon their ability to meet these requirements.

The company is financed by way of a loan from MYA Group Limited, which is included within creditors due within one year. MYA Group Limited is financed by way of loans from its shareholders, and confirmation of this ongoing shareholder support to the overall group has been obtained. The company's balance sheet also reflects a significant level of payments in advance from customers in relation to future procedures.

The above conditions indicate the existence of material uncertainties in relation to going concern and the financial statements do not reflect any adjustments arising as a result of the above uncertainties.

1.3 Turnover

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

The company provides cosmetic surgery procedures and turnover is recognised at the point the procedure is complete.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Notes to the financial statements (continued)

For the year ended 30 November 2020

1 Accounting policies (continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Medical equipment	25% straight line
Fixtures and fittings and website	14% / 20% / 25% straight line
Office equipment	25% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Notes to the financial statements (continued)
For the year ended 30 November 2020

1 Accounting policies (continued)

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1 Accounting policies (continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Notes to the financial statements (continued)

For the year ended 30 November 2020

1 Accounting policies (continued)**1.13 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2020	2019
	£	£
Turnover analysed by class of business		
Cosmetic surgery services	10,123,755	29,846,986
	<u>10,123,755</u>	<u>29,846,986</u>
Analysis per statutory database	10,123,755	29,846,986
Statutory database analysis does not agree to the trial balance by:	1	-
	2020	2019
	£	£
Other significant revenue		
Grants received	462,401	-
	<u>462,401</u>	<u>-</u>

MYA Clinics Ltd

Notes to the financial statements (continued)

For the year ended 30 November 2020

4 Exceptional items

	2020	2019
	£	£
Expenditure		
Restructuring costs	508,787	4,244,707
Credit of CVA	(161,000)	-
	<u>347,787</u>	<u>4,244,707</u>

5 Operating loss

	2020	2019
	£	£
Operating loss for the year is stated after charging/(crediting):		
Government grants	(462,401)	-
Fees payable to the company's auditor for the audit of the company's financial statements	75,040	23,000
Depreciation of owned tangible fixed assets	157,809	585,758
Depreciation of tangible fixed assets held under finance leases	-	7,167
Operating lease charges	668,376	1,502,531
	<u>668,376</u>	<u>1,502,531</u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Directors	7	7
Nurses	30	67
Admin	105	123
	<u>142</u>	<u>197</u>

MYA Clinics Ltd

Notes to the financial statements (continued)

For the year ended 30 November 2020

6 Employees (continued)

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	3,592,996	8,113,633
Social security costs	323,177	813,319
Pension costs	137,774	153,593
	<u>4,053,947</u>	<u>9,080,545</u>

7 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	<u>6,000</u>	<u>147,775</u>

8 Interest payable and similar expenses

	2020	2019
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	32,032	64,338
Other finance costs:		
Interest on finance leases and hire purchase contracts	-	3,401
	<u>32,032</u>	<u>67,739</u>

Notes to the financial statements (continued)

For the year ended 30 November 2020

9 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Loss before taxation	(2,394,725)	(6,128,517)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(454,998)	(1,164,418)
Unutilised tax losses carried forward	454,958	1,164,418
Taxation credit for the year	(40)	-
Taxation charge in the financial statements	-	-
Reconciliation - the current year tax charge does not reconcile to the above analysis. Please review figures in the database.	(40)	-

MYA Clinics Ltd

Notes to the financial statements (continued)
For the year ended 30 November 2020

10 Tangible fixed assets

	Medical equipment	Fixtures and fittings and website	Office equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 December 2019	73,635	269,546	405,700	24,175	773,056
Additions	-	17,626	65,225	-	82,851
Disposals	(245,469)	(791,959)	(169,237)	-	(1,206,665)
At 30 November 2020	(171,834)	(504,787)	301,688	24,175	(350,758)
Depreciation and impairment					
At 1 December 2019	11,132	117,137	182,790	7,166	318,225
Depreciation charged in the year	10,356	25,627	116,450	5,376	157,809
Eliminated in respect of disposals	(219,378)	(711,457)	(166,779)	-	(1,097,614)
At 30 November 2020	(197,890)	(568,693)	132,461	12,542	(621,580)
Carrying amount					
At 30 November 2020	26,056	63,906	169,227	11,633	270,822
At 30 November 2019	62,503	152,409	222,910	17,009	454,831

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2020 £	2019 £
Motor vehicles	-	17,025

11 Subsidiaries

Details of the company's subsidiaries at 30 November 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
				Direct
Fitzroy Surgery Limited	England & Wales	Cosmetic Surgery Services	Ordinary	100

MYA Clinics Ltd

Notes to the financial statements (continued)

For the year ended 30 November 2020

11 Subsidiaries (continued)

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves	Profit/(Loss)
	£	£
Fitzroy Surgery Limited	(227,040)	-

The investments in subsidiaries are all stated at cost.

Consolidated financial statements for the group incorporating these subsidiaries have not been prepared on the grounds that the subsidiary is consolidated within the ultimate parent company MYA Group Limited.

12 Stocks

	2020 £	2019 £
Raw materials and consumables	67,714	54,188

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,010,404	505,173
Other debtors	196,321	116,403
Prepayments and accrued income	210,342	529,238
	<u>1,417,067</u>	<u>1,150,814</u>

MYA Clinics Ltd

Notes to the financial statements (continued)

For the year ended 30 November 2020

14 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Obligations under finance leases	17	1,074	8,502
Trade creditors		1,976,325	1,462,930
Amounts owed to group undertakings		1,778,511	1,693,916
Taxation and social security		1,783,867	810,971
Other creditors		86,601	93,850
Accruals and deferred income		5,028,000	4,278,458
		<u>10,654,378</u>	<u>8,348,627</u>

15 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans and overdrafts	16	50,000	-
		<u>50,000</u>	<u>-</u>

16 Loans and overdrafts

	2020 £	2019 £
Bank loans	50,000	-
	<u>50,000</u>	<u>-</u>
Payable after one year	50,000	-
	<u>50,000</u>	<u>-</u>

The long-term loans are secured by fixed charges over [XXX]

17 Finance lease obligations

	2020 £	2019 £
Future minimum lease payments due under finance leases:		
Within one year	1,074	8,502
	<u>1,074</u>	<u>8,502</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

MYA Clinics Ltd

Notes to the financial statements (continued)

For the year ended 30 November 2020

18 Retirement benefit schemes

	2020	2019
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	137,774	153,593

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Financial commitments, guarantees and contingent liabilities

The directors are aware that HMRC maintain that VAT is due on certain sales that are considered purely cosmetic. They are not aware of the circumstances, the nature of these sales, or the procedures to which these may relate. The directors believe that all sales made by MYA Clinics Limited (Formerly MYA Cosmetic Surgery Limited) are in respect of procedures to treat medical disorders or to protect, maintain or restore health, and therefore all of their sales are exempt from VAT. The company continues to support HMRC with their enquiries which are themselves non conclusive and cannot be quantified.

20 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	336,692	336,692
Between two and five years	975,385	975,385
In over five years	354,329	691,021
	1,666,406	2,003,098

20 Operating lease commitments (continued)

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020	2019
	£	£
Aggregate compensation	458,065	849,269
	<u> </u>	<u> </u>

Transactions with related parties

21 Related party transactions (continued)

Included in the financial statements are the following material transactions and balances with related parties which require to be disclosed in accordance with the provisions of FRS102.

During the period, the company purchased services from Cardale Park Properties Limited amounting to £173,481 (2019 £206,942). At the balance sheet date £9,525 (2019 £37,649) was payable to Cardale Park Properties Limited. These amounts were incurred in the normal course of business and at arm's length.

E Rea owns 100% of the share capital in 121 Finance Limited. All loan transactions were carried out at an arm's length basis. At the balance sheet date 121 Finance Limited owed MYA Clinics Limited £143,501 (2019 £53,385).

The company owns 100% of the share capital in Fitzroy Surgery Limited. All transactions were carried out at an arm's length basis. At the balance sheet date Fitzroy Surgery Limited owed MYA Clinics Limited £227,040 (2019 £227,040).

E Rea is a director of MYA Lingerie Ltd. All transactions have been carried out at an arm's length basis. At the balance sheet date MYA Clinics Ltd owed MYA Lingerie Ltd £16,630 (2019 £12,014).

During the period the company paid salaries to related parties of the shareholders that do not carry out work on behalf of the company of £Nil (2019 £77,140).

22 Ultimate controlling party

The company's ultimate parent undertaking is MYA Group Limited.

MYA Clinics Ltd

Notes to the financial statements (continued)

For the year ended 30 November 2020

23 Cash (absorbed by)/generated from operations

	2020 £	2019 £
Loss for the year after tax	(2,394,725)	(6,128,517)
Adjustments for:		
Finance costs	32,032	67,739
Depreciation and impairment of tangible fixed assets	157,809	940,938
Movements in working capital:		
Increase in stocks	(13,526)	(54,188)
Increase in debtors	(266,253)	(1,150,814)
Increase in creditors	2,313,179	8,340,125
Cash (absorbed by)/generated from operations	(171,484)	2,015,283

24 Analysis of changes in net funds

	1 December 2019 £	Cash flows £	30 November 2020 £
Cash at bank and in hand	560,277	(134,744)	425,533
Borrowings excluding overdrafts	-	(50,000)	(50,000)
Obligations under finance leases	(8,502)	7,428	(1,074)
	551,775	(177,316)	374,459

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