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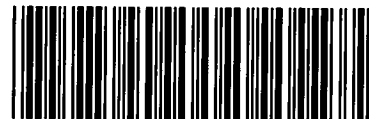
DON'T
STAPLE**OS AA01**Statement of details of parent law and other
information for an overseas company

Companies House

✓ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form to
an alteration of manner of
with accounting requirement

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COMPANIES HOUSE

Part 1 Corporate company nameCorporate name of
overseas company ①

CIRCLE HOLDINGS (OS) LIMITED

UK establishment
number

B R 0 1 5 3 3 2

→ **Filling in this form**Please complete in typescript or in
bold black capitals.All fields are mandatory unless
specified or indicated by *① This is the name of the company in
its home state.**Part 2 Statement of details of parent law and other
information for an overseas company****A1 Legislation**Please give the legislation under which the accounts have been prepared and
audited.

Legislation ②

UK (FRS101)

② This means the relevant rules or
legislation which regulates the
preparation of accounts.**A2 Accounting principles**

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ **No.** Go to **Section A3**.☒ **Yes.** Please enter the name of the organisation or other
body which issued those principles below, and then go to **Section A3**.Name of organisation
or body ③

FINANCIAL REPORTING COUNCIL

③ Please insert the name of the
appropriate accounting organisation
or body.

OS AA01

Statement of details of parent law and other information for an overseas company

A3

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☒ **No.** Go to **Part 3 'Signature'**.

☐ **Yes.** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

❶ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ❶

Part 3

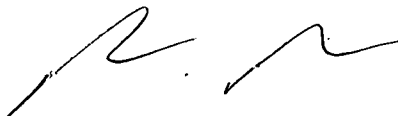
Signature

I am signing this form on behalf of the overseas company.

Signature

Signature

X



X

This form may be signed by:
Director, Secretary, Permanent representative.

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Kevin Haimes						
Company name	Circle Health Group Limited						
Address	1st Floor, 30 Cannon Street						
Post town	London						
County/Region							
Postcode	E	C	4	M	6	X	H
Country	UK						
DX							
Telephone							

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

**Important information**

Please note that all this information will appear on the public record.

**Where to send**

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
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139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1

Northern Ireland:

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Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

**Further information**

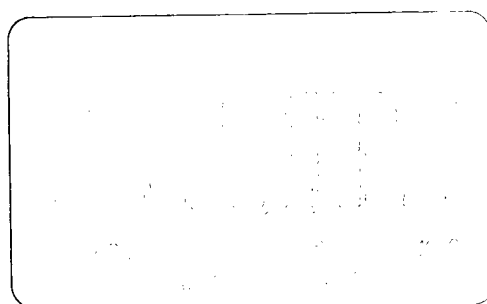
For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Company registered number: FC030337

Circle Holdings (OS) Limited

**Annual Report and Unaudited Financial Statements
for the year ended 31 December 2022**



Circle Holdings (OS) Limited

Annual Report and Unaudited Financial Statements Contents

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**Strategic report
for the year ended 31 December 2022**

The directors present their Strategic Report on the affairs of Circle Holdings (OS) Limited ("the Company") for the year ended 31 December 2022. The Company is a subsidiary of the group headed by Circle Health Holdings together with its subsidiaries "Circle Group".

The Company is a subsidiary of the group headed by Circle Health Holdings (together with its subsidiaries "Circle Group"). The Company was incorporated in the United Kingdom on 30 December 2016 and is a holding company within the Group structure.

Principal activities

The principal activity of the Company during the year continued to be that of a holding company which provides healthcare services through its subsidiary undertakings.

Review of business performance and key performance indicators (KPIs)

The directors do not consider it necessary to include any further key performance indicators, other than the current period results and financial position shown below, in order to understand the business given it is a holding company by nature.

Financial performance

The Company's loss before taxation for the year ended 31 December 2022 was nil (2021: £89.5 million). Loss in 2021 was incurred as a result of an impairment of amounts owed from group undertakings.

Financial Position

The Company's statement of financial position as at 31 December 2022 showed equity of £4.6 million, compared with equity of £4.6 million as at 31 December 2021. Total assets at 31 December 2022 were £4.6 million, compared with total assets of £4.6 million as at 31 December 2021.

Outlook

The demand for healthcare services over the short and medium term is expected to be strong. As part of the Circle Group's large hospital network, the Group is well placed to meet this demand for treatment to patients in the United Kingdom where it currently operates.

**Strategic report
for the year ended 31 December 2022 (continued)**

Principal risks and uncertainties

The Companies Act 2006 requires all companies to disclose and discuss the principal risks and uncertainties that they face which, in most cases, are normal business risks. The Circle Group manages risks for all entities through its committee structure, including governance committees, and through the use of a regularly updated and reviewed risk register. Risk mitigation plans across all levels are discussed and actioned on a regular basis by the directors. There are no risks separate from those managed and disclosed below that are applicable to the Company.

The Company's activities expose it to a number of non-financial risks including political risk, reputational risk and cyber risk. The Company's activities also expose it to a number of financial risks, including interest rate risk, credit risk, cash flow risk and liquidity risk. Any use of financial derivatives to manage these risks is governed by the group's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

Reputational risk

Reputational risk associated with poor clinical outcomes or patient satisfaction is mitigated by the focus on providing high quality care at the Circle Group's facilities and constantly seeking to improve clinical services through the activities of the Integrated Governance Committee and the Quality Quartet reviews.

Data protection and cyber risk

The Circle Group is subject to data protection and cyber risk from cybercrime, IT systems failure and threats to data protection, including data theft. The Circle Group manages these risks for all subsidiary companies through regular meetings of its Information Governance Committee, which has accountability for quality and safety of information and technology systems, assessing risk and performance, making improvement recommendations and advising the Information Governance Committee and Board. The Circle Group also employs data protection and information security officers to oversee relevant risks, and carries out periodic testing of certain risks as part of its overall assurance programme. Further, the Circle Group has in place cyber insurance cover, covering a number of the first-party and third-party financial and reputational costs.

Government policy and regulatory risk

The provision and regulation of healthcare in the UK, including that by the independent sector, is the subject of periodic review by government and regulatory bodies. New regulations, and funding arrangements, may be introduced in the future which could have an adverse effect on demand for the Circle Group's services (from different payor groups), its operational costs and the nature and cost of regulatory compliance.

Inflation risk

Given the global economic conditions, and political uncertainty in Europe, there is an increased risk of higher levels of inflation, particular in energy costs, with consequent additional pressure on staff costs. The impact on the Circle Group may be an increase in direct costs for goods and services, for which not all can be covered by increased pricing. To mitigate this risk, where possible, the Circle Group enters into long term purchase agreements to protect and limit against the full effect of cost inflation. Further, customer prices are being reasonably increased where possible to reflect the increase in costs.

**Strategic report
for the year ended 31 December 2022 (continued)**

Credit risk

The Company's principal financial assets are cash and amount owed from Group undertakings.

The Company's credit risk is primarily attributable to its amount owed from Group undertakings. This is managed by regular monitoring of the counterparties' balance sheets.

Cash flow and liquidity risk

In the ordinary course of business, in order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments of all Circle Group subsidiaries, the Group uses a mixture of long-term and short-term debt facilities. The Circle Group manages liquidity risk by monitoring forecast and actual cash flows, and ensuring that adequate unutilised borrowing facilities are maintained to cover any short-term liquidity requirements.

On 25 May 2022 the Group refinanced its senior borrowing facilities with a new £250 million, three year, revolving facility. This facility is guaranteed by the Group's ultimate parent company, Centene Corporation and all covenants are measured at the consolidated Centene Corporation level. An initial £180 million of this facility was drawn on this date and this, along with £38 million of cash on hand, was used to repay the above three loans held at 31 December 2021 in full. During this transaction, capitalised prepaid finance costs of £6.6m were written off to the Consolidated Statement of Comprehensive Income within finance costs.

At the year end, £160m of the new facility remains drawn down. This balance carries interest at a rate of 1.25 per cent above SONIA as at 31 December 2022 and is repayable in full on 24 May 2025.

Corporate Governance Statement (Section 172(1))

Under section 172 of the Companies Act 2006, directors of a company have a duty to promote the success of the company. Specifically, it requires the director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In performing their duties under section 172, the directors of the Company have had regard to the matters set out in section 172(1) as follows:

a) the likely consequences of any

The Board has set long term strategic objectives for the Company and the Circle Group focused on:

- clinical quality, patient experience and market leading reputation;
- attracting and retaining the best people;
- investment in infrastructure by improving the environment and capabilities;
- digital transformation to enable improved patient pathways, propositions and efficiency; and

These pillars form the basis of a five-year plan which is monitored and update periodically. The strategy and plan supports decision-making around capital investment and allows the board to forecast funding requirements, debt capacity and financing options that are required to deliver this. As described elsewhere in this report, the debt facilities in place support the Circle Group's investment plans.

In developing the strategy, the Directors also consider external factors such as the political, economic, regulatory, and competitive environment.

Strategic report
for the year ended 31 December 2022 (continued)

Corporate Governance Statement (Section 172(1)) (continued)

b) the interests of the company's employees;

The Directors understand the importance of the Group's employees to quality of care provided to patients, and so the long-term success of the business.

There is regular engagement with employees through an Employee Voice Forum, weekly staff newsletters, and an annual employee engagement programme. As a result of the most recent annual employee engagement survey, the Group was awarded a 2-star outstanding employer rating by best companies™. The Group continues to use the results of its annual employee engagement programme to invest further in improving the overall employee experience. This includes investing in pay awards, increasing minimum basic hourly wage of contracted staff and by carrying out regular salary benchmarking and pay review exercises to allow clinical and other staff to be paid at competitive levels in the market.

c) the need to foster the company's business relationships with suppliers, customers and others;

The Board regularly reviews how the Circle Group maintains positive relationships with all of its stakeholders including patients, consultants, suppliers and others.

The Company's principal risks and uncertainties set out risks that can impact the long-term success of the Circle Group and the Company, and how these risks interact with out stakeholders. The Directors actively seek information on the interaction with stakeholders to ensure that they have sufficient information to reach appropriate conclusions about the risks faced and how these are reflected within the long-term plans.

d) the impact of the company's operations on the community and the environment;

The Circle Group has an ongoing capital investment programme to improve the hospital estate and bring new medical and diagnostic equipment in to the hospitals. The capital project process considers the environmental impact and energy efficiency of programmes of work to monitor and improve this over time.

e) the desirability of the company maintaining a reputation for high standards of business conduct; and

As a healthcare provider, the Directors believe that maintaining the reputation of the Company and the Circle Group is critical for the future success. Clinical quality and governance is at the heart of the culture of the Circle Group and receives significant focus at Board level.

The Board is committed to high standards of business conduct and details of the governance structures are set out in the annual Quality Account, available on the Circle Health Group website.

f) the need to act fairly as between members of the company

The Circle Group holds monthly meetings with shareholders represented. Shareholders have worked effectively together to agree the course for the long term future of the Circle Group and the Company.

The Company and its Board is committed to and has applied the principles of corporate governance contained in the Wates Corporate Governance Principles for large private companies for the year ended 31 December 2022. Further explanation of how each principle has been applied is set out in the Statement of corporate governance arrangements.

**Strategic report
for the year ended 31 December 2022 (continued)**

Going concern

The Company's net assets were £4.6 million as at 31 December 2022 (2021: £4.6 million net assets). The Company's net current assets were £4.6 million (2021: £4.6 million net current assets).

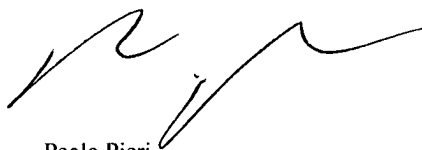
Management of the Circle Group has prepared liquidity forecasts for the purpose of the going concern review and have also applied various sensitivities. These forecasts and sensitivities have been reviewed by the Directors of the Company together with the underlying assumptions. The forecasts show that the Circle Group has sufficient cash and facilities to provide liquidity through the review period for both the Circle Group and the Company.

The Circle Group's new senior facilities are guaranteed by the Company's ultimate parent company, Centene Corporation, and financial covenants for the facilities are measured at that level. The directors of the Company have reviewed covenant compliance, and forecast performance for Centene Corporation, which indicate that these covenants will be complied with throughout the forecast period with appropriate headroom.

On 28 August 2023, it was announced that a definitive agreement had been signed whereby PureHealth (a major healthcare operator based in the Middle East, with a range of international healthcare investments) will acquire Circle Health Holdings Limited and its subsidiary undertakings from Centene Corporation with the transaction expected to close in the first quarter of 2024. The directors have considered the future financing arrangements for the Circle Group proposed by PureHealth and are satisfied that, on completion of the transaction, these will provide adequate funding and liquidity for the Circle Group with appropriate headroom.

After making enquiries, including reviewing the forecasts and sensitivities, the directors have concluded that they have a reasonable expectation that the Company has adequate resources available to it, to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Approved by the Board of Directors and signed on behalf of the Board:



Paolo Pieri
Director

Date: 21 September 2023

**Directors' report
for the year ended 31 December 2022**

The directors present their report on the affairs of the Company, together with the financial statements, for the year ended 31 December 2022.

Details of events affecting the Company since the financial year end, an indication of likely future developments in the business and a statement on going concern have been included in the financial performance section of the Strategic report, and form part of this Directors' report by reference.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks, including credit risk, cash flow risk and liquidity risk. Details of this, how it is applicable to the Company, and the risk management framework and policies it works within are included in the Strategic Report.

Dividends

The directors do not propose a dividend for the year (2021: £nil).

Directors

The directors who served throughout the year, except as noted, and subsequently, were as follows:

Paolo Pieri
Massoud Keyvan-Fouladi

Directors' and officers' insurance

The Company has procured qualifying third party indemnity insurance for all Directors and Officers of the Company and all Group companies. The Company has directors' and officers' insurance for the benefit of, amongst others, the directors of the Company, which is in place at the date of this report.

Energy and carbon reporting

The Company has taken advantage of the disclosure exemptions available in relation to energy and carbon reporting. Equivalent disclosures are given in the group accounts of Circle Health Holdings Limited.

Approved by the Board of Directors and signed on behalf of the Board.



Paolo Pieri
Director

Date: 21 September 2023

**Directors' responsibilities statement
for the year ended 31 December 2022 (continued)**

Directors' responsibilities statement

The directors are responsible for preparing the Report and the financial statements in accordance with applicable law 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), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company, and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 Company (Jersey) Law, 1991. 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of comprehensive income
for the year ended 31 December 2022

	Notes	31 December 2022 £'000	31 December 2021 £'000
Administrative expenses		-	(89,479)
Operating (loss)		<u>-</u>	<u>(89,479)</u>
(Loss) before taxation		<u>-</u>	<u>(89,479)</u>
Tax on (loss)	6	-	1
(Loss) after tax		<u>-</u>	<u>(89,478)</u>
Total comprehensive (loss) for the year attributable to the owners of the Company		<u><u>-</u></u>	<u><u>(89,478)</u></u>

The notes to the financial statements form an integral part of this statement of comprehensive income.

Balance sheet
as at 31 December 2022

	Notes	31 December 2022 £'000	31 December 2021 £'000
Non current assets			
Investments	7	-	-
Current assets			
Debtors - amounts falling due within one year	8	4,542	4,542
Cash		16	16
Net current assets		<u>4,558</u>	<u>4,558</u>
Net assets		<u>4,558</u>	<u>4,558</u>
Capital and reserves			
Called-up share capital	10	5,014	5,014
Share premium		230,809	230,809
Other reserves		11,303	11,303
Accumulated losses		(242,568)	(242,568)
Total Shareholder's funds		<u>4,558</u>	<u>4,558</u>

The notes to the financial statements form an integral part of this balance sheet.

The financial statements were approved by the Board of Directors and authorised for issue on 21 September 2023.

They were signed on its behalf by:



Paolo Pieri
Director

The Company's registered number is FC030337.

The Company's registered address is 12 Castle Street, St Helier, JE2 3RT, Jersey.

Statement of changes in equity
for the year ended 31 December 2022

	Share capital £	Share premium £	Other reserves £	Accumulated losses £	Total £
Balance as at 1 January 2021	5,014	230,809	11,303	(153,090)	94,036
Loss and total comprehensive loss for the year	-	-	-	(89,478)	(89,478)
Balance as at 31 December 2021	<u>5,014</u>	<u>230,809</u>	<u>11,303</u>	<u>(242,568)</u>	<u>4,558</u>
Loss and total comprehensive loss for the year	-	-	-	-	-
Balance as at 31 December 2022	<u>5,014</u>	<u>230,809</u>	<u>11,303</u>	<u>(242,568)</u>	<u>4,558</u>

The notes to the financial statements form an integral part of this statement of changes in equity.

Notes to the financial statements for the year ended 31 December 2022

1 General information

Circle Holdings (OS) Limited (the 'Company') is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the Company's registered office is 12 Castle Street, St Helier, JE2 3RT, Jersey, Channel Islands. The company is a private limited by shares.

The nature of the Company's operations and its principal activities are set out in the strategic report on page 1 and the Directors' Report on page 6.

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Circle Health Holdings Limited. The group accounts of Circle Health Holdings Limited are available to the public and can be obtained as set out in note 12.

2 Accounting policies

Basis of accounting

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the group accounts of Circle Health Holdings Limited.

The financial statements have been prepared on the historical cost basis, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Adoption of new and revised Standards

There are no new or revised standards that are applicable to the Company in the year.

Notes to the financial statements for the year ended 31 December 2022 (continued)

2 Accounting policies (continued)

Going concern

The Company's net assets were £4.6 million as at 31 December 2022 (31 December 2021: £4.6 million net assets). The Company's net current assets were £4.6 million as at 31 December 2022 (31 December 2021: £4.6 million net current assets).

Management of the Circle Group has prepared liquidity forecasts for the purpose of the going concern review and have also applied various sensitivities. These forecasts and sensitivities have been reviewed by the Directors of the Company together with the underlying assumptions. The forecasts show that the Circle Group has sufficient cash and facilities to provide liquidity through the review period for both the Circle Group and the Company.

The Circle Group's new senior facilities are guaranteed by the Company's ultimate parent company, Centene Corporation, and financial covenants for the facilities are measured at that level. The directors of the Company have reviewed covenant compliance, and forecast performance for Centene Corporation, which indicate that these covenants will be complied with throughout the forecast period with appropriate headroom.

On 28 August 2023, it was announced that a definitive agreement had been signed whereby PureHealth (a major healthcare operator based in the Middle East, with a range of international healthcare investments) will acquire Circle Health Holdings Limited and its subsidiary undertakings from Centene Corporation with the transaction expected to close in the first quarter of 2024. The directors have considered the future financing arrangements for the Circle Group proposed by PureHealth and are satisfied that, on completion of the transaction, these will provide adequate funding and liquidity for the Circle Group with appropriate headroom.

After making enquiries, including reviewing the forecasts and sensitivities, the directors have concluded that they have a reasonable expectation that the Company has adequate resources available to it, to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Notes to the financial statements for the year ended 31 December 2022 (continued)

2 Accounting policies (continued)

Deferred Tax (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Investments

Investments in subsidiaries are valued at cost less provision for impairment. The carrying value of fixed asset investments is reviewed for impairment when events or changes to group undertakings indicate the carrying value may not be recoverable.

Financial assets and liabilities

All financial assets and liabilities are initially measured at cost. Financial assets 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.

3 Critical accounting judgements or estimates and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the financial statements
for the year ended 31 December 2022 (continued)

4 Directors' emoluments

The directors did not receive emoluments during the year for services provided to the Company. The directors who served the Company during the year are also directors or officers of a number of other companies within the Group, and are remunerated in respect of services provided to the Group. These directors do not consider the time spent on dealing with the Company's matters to be material and therefore have not separated out their costs or made a recharge in respect of services to each individual company in the Group.

5 Employees

Other than the Directors, the entity did not have any employees during the year (2021: nil).

6 Tax on loss

	31 December 2022 £'000	31 December 2021 £'000
The tax credit comprises the following:		
Corporation tax at 19% (Year ended 31 December 2021: 19%)	-	(1)
Total tax credit on loss	-	(1)

The tax credit can be reconciled to the loss in the profit and loss account as follows:

	31 December 2022 £'000	31 December 2021 £'000
Loss before taxation	-	(89,479)
Tax on loss at the standard UK corporation tax rate of 19% (2021: 19%)	-	(17,001)
Effects of:		
- Expenses not deductible for tax purposes	-	17,000
- Tax losses (utilised)/carried forward	-	-
- Group relief not paid for	-	-
- Amounts for which no deferred tax is recognised	-	-
- Adjustment to tax charge in respect of previous years	-	-
Total tax credit for the year	-	(1)

Deferred Taxation

The deferred tax asset not recognised in the financial statements is as follows:

	31 December 2022 £'000 Tax Value	31 December 2022 £'000 Gross Value	31 December 2021 £'000 Tax Value	31 December 2021 £'000 Gross Value
Tax losses carried forward	252	1,007	252	1,009
	<u>252</u>	<u>1,007</u>	<u>192</u>	<u>1,127</u>

Notes to the financial statements
for the year ended 31 December 2022 (continued)

7 Investments

Company	Total
	£'000
Cost	
At 1 January 2022 and 31 December 2022	<u>89,350</u>
Provision for impairment	
At 1 January 2022 and 31 December 2022	<u>89,350</u>
Net book value	
At 1 January 2022 and 31 December 2022	<u><u>-</u></u>

Details of the investments in which the Company holds 20.0% or more of the nominal value of any class of share capital are as follows:

Name of company	Holding	Nature of business	Country of incorporation	Address
Circle International Plc	Ordinary shares	Holding and management	United Kingdom	1st Floor 30 Cannon Street, London, EC4M 6XH

Investments were fully impaired in prior years, and so the carrying value of the investments as at 31 December 2022 is £nil (2021: £nil).

Circle International plc is currently dormant.

8 Debtors - amounts falling due within one year

	31 December 2022 £'000	31 December 2021 £'000
Amounts owed from Group undertakings	4,542	4,542
	<u>4,542</u>	<u>4,542</u>

Amounts owed by Group undertakings are a combination of interest-bearing and interest-free amounts, and are unsecured and repayable on demand.

9 Cash and cash equivalents

	31 December 2022 £'000	31 December 2021 £'000
Cash at bank and in hand	16	16
	<u>16</u>	<u>16</u>

Notes to the financial statements
for the year ended 31 December 2022 (continued)

10 Called up share capital

	31 December 2022 £'000	31 December 2021 £'000
Authorised		
Ordinary shares of £0.02 each	6,500	6,500
Convertible shares (18 months) of £0.02 each	250	250
Convertible shares (36 months) of £0.02 each	250	250
	<u>7,000</u>	<u>7,000</u>
	Number	Number
Ordinary shares of £0.02	325,000,000	325,000,000
Convertible shares (18 months) of £0.02 each	12,500,000	12,500,000
Convertible shares (36 months) of £0.02 each	12,500,000	12,500,000
	<u>350,000,000</u>	<u>350,000,000</u>

Allotted and fully paid up

	Shares (number)	Called up share capital £'000	Share premium £'000	Other reserves £'000	Total £'000
Ordinary shares:					
At 1 January 2021	250,702,369	5,014	230,809	11,303	247,126
At 31 December 2021	<u>250,702,369</u>	<u>5,014</u>	<u>230,809</u>	<u>11,303</u>	<u>247,126</u>
At 31 December 2022	<u>250,702,369</u>	<u>5,014</u>	<u>230,809</u>	<u>11,303</u>	<u>247,126</u>

11 Controlling party

The Company is a subsidiary undertaking of Circle Health 2 Limited.

Circle Health Holdings Limited, a company registered in England and Wales, is the parent undertaking of the smallest group for which consolidated financial statements are prepared that include the financial statements of the Company. Copies of the group financial statements for Circle Health Holdings Limited may be obtained from 1st Floor, 30 Cannon Street, London, EC4M 6XH.

The directors regard Centene Corporation, as the Company's ultimate parent undertaking and controlling party. Centene Corporation is the parent undertaking of the largest group for which consolidated financial statements are prepared that include the financial statements of the Company. Centene Corporation is a publicly traded company incorporated in the United States of America. Centene Corporation's registered address is 7700 Forsyth Blvd., St. Louis, MO 63105.

12 Events after the reporting period

On 28 August 2023, it was announced that a definitive agreement had been signed whereby PureHealth will acquire Circle Health Group from Centene Corporation with the transaction is expected to close in the first quarter of 2024. The directors do not believe that this transaction has any material impact on the balances recorded or the disclosures presented in these financial statements. At the date of signing the ultimate controlling party remains unchanged, being Centene Corporation.