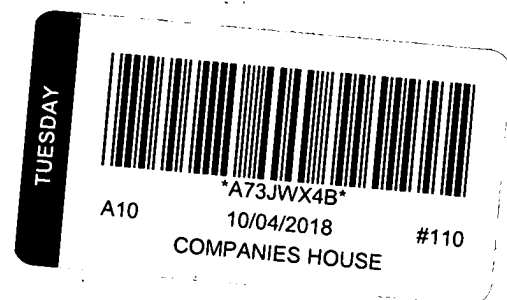


Dolby Healthcare Limited
Annual Report and Financial Statements
Year Ended
31 December 2017

Company Number SC328062



Dolby Healthcare Limited

Company Information

Directors	G. Fumagalli Romario M. Annoni
Registered number	SC328062
Registered office	North Suite Lomond Court Castle Business Park Stirling FK9 4TU
Independent auditors	Deloitte LLP 2 New Street Square London EC4A 3BZ
Bankers	Bank of Scotland New Uberior House 11 Earl Grey Street Edinburgh EH3 9BN

Dolby Healthcare Limited

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Dolby Healthcare Limited

Strategic report For the year ended 31 December 2017

Introduction

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2017.

Business review

Dolby Healthcare Limited is the holding company for Dolby Medical Home Respiratory Care Limited and R L Dolby (Services) Limited. The company and its subsidiaries operate as a medical sector service provider, providing Home Oxygen Therapy services on behalf of NHS customers based in Scotland and England.

The company did not trade in the current or prior year. The company is primarily focused on investment activities, and of the investment subsidiaries indicated above, Dolby Medical Respiratory Care Limited is operating in the market with the strategic objective of growing its UK presence in the home healthcare market including expanding its sleep device services, whereas R L Dolby (Services) Limited is non-trading.

Principal risks and uncertainties

The company's objectives and business risks are relevant to that of a holding company. The principal risk is the recoverability of the company's investment in its subsidiary: Dolby Medical Home Respiratory Care Limited. The principal risk and uncertainty facing the subsidiary is its dependency on two large contracts, held in the company, which are due to be re-tendered in 2018.

Code of Ethics and Conduct

During previous years, the Board of Directors adopted the "Code of Ethics and Conduct" in the same text approved by the parent company, SOL Spa. Furthermore, the Board decided to enrust the general manager the task of disseminating the Code to all employees and stakeholders of the company.

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholder have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by shareholders holding in aggregate 5 per cent or more of the total allocated shares in the Company.

This report was approved by the board on 28 March 2018 and signed on its behalf.


G. Fumagalli Romario
Director

signed on April 6, 2018

Dolby Healthcare Limited

Directors' report For the year ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' 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 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'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Business review

The loss for the year, after taxation, amounted to £79 (2016 - loss £77).

Directors

The directors who served during the year were:

G. Fumagalli Romario
M. Annoni

Financial risk management objectives and policies

The risk of the company is its reliance on the performance of the investment in Dolby Medical Home Respiratory Care Limited and the recoverability of this investment. The principal risk and uncertainty facing the subsidiary is its dependence on two large contracts, held in the company, which are due to be retendered in 2018. As the holding company is not trading, being a holding company, the financial risks in terms of cash flow, credit, and liquidity are not significant.

Dolby Healthcare Limited

Directors' report (continued) For the year ended 31 December 2017

Future developments

The business environment in which the operating subsidiary operated during 2017 continued to be highly competitive and challenging, and in many areas is highly reliant on the requirements of the NHS and their procurement methodologies. Dolby Medical Home Respiratory Care Limited actively seeks to broaden its range of services, customer groups and routes to market in order to secure future growth and mitigate risk, but is also aware that any plans for the future of the business may be subject to unforeseen future events outside of our control.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28 March 2018 and signed on its behalf.



G. Fumagalli Romario
Director

signed on April 6, 2018

Dolby Healthcare Limited

Independent auditors' report to the shareholders of Dolby Healthcare Limited

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Dolby Medical Home Respiratory Care Ltd (the 'company') which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 10.

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).

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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

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 there is 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 respect of these matters.

Dolby Healthcare Limited

Independent auditors' report to the shareholders of Dolby Healthcare Limited (continued)

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.

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: 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.

Report on other legal and regulatory requirements

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.

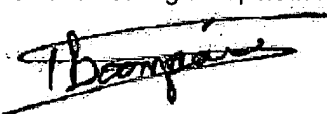
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



Ivan Boonzaaier, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
6 April 2018

Dolby Healthcare Limited

**Statement of comprehensive income
For the year ended 31 December 2017**


	Note	2017 £	2016 £
Administrative expenses		(79)	(77)
Operating loss		<u>(79)</u>	<u>(77)</u>
Loss for the year and total comprehensive loss for the year		<u><u>(79)</u></u>	<u><u>(77)</u></u>

Dolby Healthcare Limited
Registered number: SC328062

Statement of financial position
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	6	15,465,837	15,465,837
Current assets			
Cash at bank and in hand		4,033	4,112
		<u>4,033</u>	<u>4,112</u>
Creditors: amounts falling due within one year	7	(309,086)	(309,086)
Net current liabilities		<u>(305,053)</u>	<u>(304,974)</u>
Total assets less current liabilities		<u>15,160,784</u>	<u>15,160,863</u>
Net assets		<u>15,160,784</u>	<u>15,160,863</u>
Capital and reserves			
Called-up share capital	8	300,100	300,100
Share premium account	9	15,370,157	15,370,157
Profit and loss account	9	(509,473)	(509,394)
		<u>15,160,784</u>	<u>15,160,863</u>

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

 signed April 6, 2018

G. Fumagalli Romario

Director

The notes on pages 9 to 13 form part of these financial statements.

Dolby Healthcare Limited

**Statement of changes in equity
For the year ended 31 December 2017**

	Called-up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	300,100	15,370,157	(509,394)	15,160,863
Comprehensive income for the year				
Loss for the year	-	-	(79)	(79)
Total comprehensive loss for the year	-	-	(79)	(79)
At 31 December 2017	300,100	15,370,157	(509,473)	15,160,784

**Statement of changes in equity
For the year ended 31 December 2016**

	Called-up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	300,100	15,370,157	(509,317)	15,160,940
Comprehensive income for the year				
Loss for the year	-	-	(77)	(77)
Total comprehensive loss for the year	-	-	(77)	(77)
At 31 December 2016	300,100	15,370,157	(509,394)	15,160,863

The notes on pages 9 to 13 form part of these financial statements.

Dolby Healthcare Limited

Notes to the financial statements For the year ended 31 December 2017

1. Accounting policies

1.1 Basis of preparation of financial statements

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

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

Group accounts are not required to be prepared and these are standalone accounts for the company.

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

This information is included in the consolidated financial statements of SOL Spa as at 31 December 2017 and these financial statements may be obtained from Via Borgazzi, 27-20900, Monza (MB), Italy.

1.3 Going concern

The company has net assets of £15,160,784 (2016: £15,160,863), has net current liabilities of £305,053 (2016: £304,974) and has made a loss in the year of £79 (2016: £77). The directors have prepared the accounts on a going concern basis which assumes the company will continue in existence for the foreseeable future. The ultimate parent company, SOL Spa, have provided a letter of support confirming that they will continue to ensure that adequate funds are made available to meet working capital requirements for at least the next 12 months.

1.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.5 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.

Dolby Healthcare Limited

Notes to the financial statements For the year ended 31 December 2017

1. Accounting policies (continued)

1.6 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. 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 Group after deducting all of its liabilities.

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

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of being 'basic' financial instruments as defined in FRS 102.11.9 are subsequently measured at amortised cost using the effective interest method. Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

1.7 Creditors

Short term creditors are measured at the transaction price.

1.8 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Dolby Healthcare Limited

Notes to the financial statements For the year ended 31 December 2017

2. General information

Dolby Healthcare Limited is a company limited by shares, incorporated in Scotland. The address of the registered office is given on the contents page.

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

There were no judgments in applying accounting policies in the year.

The sources of estimation uncertainty that may have a significant risk of causing a material adjustment in the future relate to key assumptions in determining the recoverable amount of the Company's investment in its subsidiary. The directors have assessed the future financial projections and cash flows of the entities in which it has an investment. Key assumptions underpinning these projections have been assessed and challenged where appropriate, and sensitivity analysis has also been performed on these numbers. Based on this exercise the directors have concluded that the carrying value of the investments is recoverable. In performing their assessment, the directors assumed a discount rate of 5.5%, a nil growth rate in the next 5 years and a terminal growth rate of 2%.

4. Auditors' remuneration

Audit fees in respect of the company amounting to £3,500 (2016 - £3,500) were paid by a subsidiary undertaking.

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £Nil).

Dolby Healthcare Limited

Notes to the financial statements For the year ended 31 December 2017

6. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2017	15,465,837
At 31 December 2017	15,465,837
Net book value	
At 31 December 2017	15,465,837
At 31 December 2016	15,465,837

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Dolby Medical Home Respiratory Care Limited	Ordinary	100 %	Rental and servicing of medical equipment
R L Dolby (Services) Limited	Ordinary	100% *	Dormant

* Held indirectly

The address of the registered office of all subsidiaries is North Suite Lomond Court, Castle Business Park, Stirling, FK9 4TU.

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	309,086	309,086

Dolby Healthcare Limited

Notes to the financial statements For the year ended 31 December 2017

8. Called-up share capital

	2017 £	2016 £
Allotted, called up and fully paid		
300,100 ordinary shares of £1 each	<u>300,100</u>	<u>300,100</u>

9. Reserves

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

10. Controlling party

The company is a subsidiary of SOL Spa which is the ultimate parent company incorporated in Italy. Airsol Spa is the immediate parent company incorporated in Italy.

The largest and smallest group in which the results of the company are consolidated is that headed by SOL Spa, incorporated in Italy. The consolidated accounts of this company are available to the public and may be obtained from Via Borgazzi, 27-20900, Monza (MB), Italy. No other group accounts include the results of the company.