

Company Registration No. 3017628

Clinical Computing UK Limited

Financial Statements

31st March 2014

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Clinical Computing UK Limited

Financial statements 2014

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Clinical Computing UK Limited

Financial statements 2013/14

Officers and professional advisers

Directors

H Kitchner
J Marlovits
S Gandhi

Secretary

S Gandhi

Registered office

IP City Centre
1 Bath Street
Ipswich IP2 8SD

Bankers

National Westminster Bank Plc
22 Kings Mall
London W6 0QD

Solicitors

Irwin Mitchell LLP
40 Holborn Viaduct
London EC1N 2PZ

Auditors

Grant Thornton UK LLP
3140 Rowan Place
John Smith Drive
Oxford Business Park South
Oxford
Oxfordshire
OX4 2 WB

Clinical Computing UK Limited

Financial statements 2013/14

Directors' report

The results for the twelve month period and financial position for the company are shown on pages 5&6. The directors do not recommend the payment of a dividend (2013: £nil).

Going concern

The parent company (Clinical Computing Plc) has in the past provided funding to support the on-going operations of the company. The parent company has confirmed to the directors that it will continue to provide financial support as necessary to enable the company to meet its obligations as they fall due for the next twelve months from the date of this report. Additionally, the parent company has provided the directors confirmation that it will not require payment on any inter-group liabilities for a twelve month period from the date of this report.

Statement as to disclosure of information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

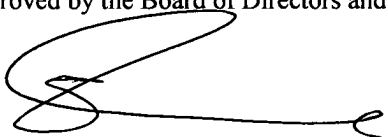
Small company exemption

In preparing this report, the directors have taken advantage of the small company exemption in part 15 of the Companies Act 2006.

Auditor

A resolution to appoint Grant Thornton UK LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

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

A handwritten signature in black ink, appearing to be 'S Gandhi', written over a horizontal line.

S Gandhi, Director
20th August 2014

Clinical Computing UK Limited

Financial statements 2013/14

Statement of directors' responsibilities

The directors are responsible for preparing the Directors Report and financial statements in accordance with applicable law and regulations.

United Kingdom 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 and profit or loss of the company for that period. In preparing those 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 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.

Independent auditor's report to the members of Clinical Computing UK Limited

We have audited the financial statements of Clinical Computing UK Limited for the year ended 31 March 2014 which comprise the Profit and loss account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its loss for the given then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP

Mahmood Ramji (Senior Statutory Auditor)
For and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford

20th August 2014

Clinical Computing UK Limited

Profit and loss account Year ended 31 March 2014

	Note	Year ended 31 March 2014 £	15 month period ended 31 March 2013 £
Turnover	2	780,671	1,054,765
Cost of sales		(181,550)	(156,940)
Gross profit		599,121	897,825
Distribution costs		(166,867)	(126,074)
Administrative expenses			
Research & development		(912,160)	(826,704)
Other		(209,023)	(428,770)
Total		(1,121,183)	(1,255,474)
Other income		-	15,000
Operating loss		(688,929)	(468,723)
Net interest payable	6	(181,404)	(198,472)
Loss on ordinary activities before taxation	3	(870,333)	(667,195)
Tax credit on loss on ordinary activities	7	264,517	161,269
Loss on ordinary activities after taxation		(605,816)	(505,926)

The notes on pages 8 to 16 form part of these financial statements.

There were no recognised gains or losses, other than the result for each year, and therefore a statement of total recognised gains and losses has not been included in these financial statements.

All activities are derived from continuing operations.

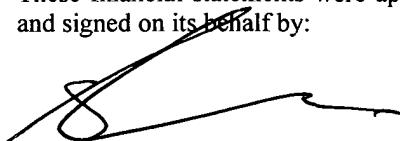
Clinical Computing UK Limited

Balance sheet As at 31 March 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	8		5,357		6,155
Intangible assets	9		-		-
			<u>5,357</u>		<u>6,155</u>
Current assets					
Debtors	10	654,876		559,764	
Cash		240,486		905,008	
		<u>895,362</u>		<u>1,464,772</u>	
Creditors: amounts falling due within one year	11	<u>(7,911,689)</u>		<u>(7,876,081)</u>	
Net current liabilities			<u>(7,016,327)</u>		<u>(6,411,309)</u>
Net liabilities			<u>(7,010,970)</u>		<u>(6,405,154)</u>
Capital and reserves					
Called up share capital	13		2		2
Profit and loss account	14		<u>(7,010,972)</u>		<u>(6,405,156)</u>
Equity shareholders' deficit	15		<u>(7,010,970)</u>		<u>(6,405,154)</u>

The notes on pages 8 to 16 form part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 20th August 2014 and signed on its behalf by:



S Gandhi

Director

Company Registration Number: 3017628

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

1. Accounting policies

A summary of the principal accounting policies, all of which remain unchanged, and have been applied consistently throughout the period and the preceding year, is set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Going concern

The parent company (Clinical Computing Plc) has in the past provided funding to support the on-going operations of the Company. The parent company has confirmed to the directors that it will continue to provide financial support as necessary to enable the Company to meet its obligations as they fall due for the next twelve months from the date of this report. Additionally, the parent company has provided the directors confirmation that it will not require payment on any inter-group liabilities for a twelve month period from the date the financial statements have been approved.

Turnover

Turnover represents amounts receivable for goods and services (including any related billable expenses) provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Turnover from software contracts and related services, where such services are essential to the software's functionality, and where payments for software are spread over the implementation period, is recognised over the implementation period. Turnover is only fully recognised when no significant obligations remain and collection is probable.

Turnover from software contracts, where no services are required to alter the functionality of the software is recognised what the software is delivered and acceptance is reasonably assured.

Turnover from services not related to software functionality is recognised when the service is delivered and collection is probable.

Turnover from maintenance support agreements is apportioned over the period to which the agreements relate.

Any amounts invoiced in advance of being recognised as turnover are included in the balance sheet as deferred income.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Office equipment	25% per annum straight-line
Software	33% per annum straight-line
Fixtures and fittings	15% per annum straight-line
Leasehold improvements	over the life of the lease

Residual value is calculated on prices prevailing at the date of acquisition. The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carry value may not be recoverable.

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on a non-discounted basis.

Research and development tax credits which are settled in cash (not as an off-set to tax due) are estimated and accounted for in the tax year the R&D activity occurs.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

Intangible fixed assets - research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from the Company's computer software development initiative is recognised only if all of the following conditions are met:

- An asset is created that can be identified (such as software);
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Development costs meeting these criteria are capitalised and amortised on a straight-line basis over their useful economic lives (48 months) once the related software product is available for use. Where no intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Pension costs

The Company makes contributions on behalf of its employees to a defined contribution scheme run by the parent company. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Details of the scheme can be found in the financial statements of the parent undertaking, Clinical Computing Plc.

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

1. Accounting policies (continued)

Cash flow statement

Under the provisions of Financial Reporting Standard No. 1 (Revised), "Cash Flow Statements", the Company has not prepared a cash flow statement because its parent undertaking, Clinical Computing Plc, has prepared consolidated financial statements which incorporate the results of the Company and which are publicly available.

Related party disclosures

As a consequence of being a wholly owned subsidiary and the consolidated financial statements of its parent undertaking being publicly available, the Company is exempt from the requirement of Financial Reporting Standard No. 8 "Related Party Disclosures" to disclose transactions with other wholly owned group undertakings.

2. Turnover

An analysis of turnover by geographical market of destination is given below:

	2014 £	2013 £
United Kingdom	327,358	431,802
Europe	23,626	40,154
USA	237,264	290,609
Other	192,423	292,200
	<u>780,671</u>	<u>1,054,765</u>

All turnover originates in the U.K.

The directors consider that the company operates in one class of business.

3. Loss on ordinary activities before taxation is stated after charging:

	2014 £	2013 £
Depreciation	3,744	7,366
Amortisation	-	78,263
Operating lease rentals		
- office rental	43,984	40,645
	<u>43,984</u>	<u>40,645</u>

As in the prior year, audit fees were borne by the company's parent undertaking.

As disclosed in note 16, all operating leases are entered into by the Company's parent, Clinical Computing Plc.

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

4. Staff costs

Particulars of employee costs (including those of the directors) are as follows:

	2014 £	2013 £
Wages and salaries	1,009,402	1,052,004
Social security costs	124,838	124,956
Other pension costs	51,211	60,135
	<u>1,185,451</u>	<u>1,237,095</u>

The average monthly number of employees (including the directors) during the period was made up as follows:

	2014 No.	2013 No.
Production, development and support	12	11
Sales and marketing	2	1
Finance and administration	2	1
	<u>16</u>	<u>13</u>

5. Directors' remuneration

	2014 £	2013 £
Emoluments	210,000	125,000
Life insurance and long term disability premiums	2,584	1,510
Company contributions to money purchase pension scheme	15,500	12,500
	<u>228,084</u>	<u>139,010</u>

J Marlovits and S Gandhi both were members of the money purchase pension scheme in 2014 (J Marlovits was the only director in this scheme for 2013). H Kitchner does not receive a fee nor any benefits for serving as a director of this company.

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

6. Net interest payable

	2014 £	2013 £
Intercompany interest receivable	-	11,000
Bank interest receivable	-	-
Interest receivable	-	11,000
Intercompany interest payable	(181,404)	(190,305)
Bank interest payable	-	(19,167)
Interest payable	(181,404)	(209,472)
Net interest payable	(181,404)	(198,472)

7. Taxation

UK corporation tax:

	2014 £	2013 £
Current tax on losses for the period including tax credits	200,000	130,000
Prior period adjustments (research and development credits)	64,517	31,269
Total current tax	264,517	161,269
Deferred tax	-	-
Tax credit on loss on ordinary activities	264,517	161,269

The tax credit on the loss on ordinary activities for the period was as follows:

	2014 £	2013 £
Loss on ordinary activities before taxation	(870,333)	(667,195)
Tax at 23% (2013: 20%)	(200,177)	(133,439)
Timing differences between capital allowances and depreciation	(1,686)	(2,185)
Group relief surrender	-	-
Tax losses arising utilised in period	1,863	5,624
Prior period adjustments (research & development credits)	(64,517)	(31,269)
Current tax credit for the period	(264,517)	(161,269)

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

7. Taxation (continued)

The company has approximately £2,000,000 of tax losses to use against future profits (2013: approximately £2,900,000 tax losses). At 20% these tax losses represent a potential deferred tax asset of £570,000 (2013: £580,000) which are not recorded on the basis of insufficient certainty over recoverability.

8. Tangible Fixed Assets

	Software £	Leasehold improvements furniture & fixtures £	Office equipment £	Total £
Cost				
At 1 April 2013	8,604	37,583	98,108	144,295
Additions for the year	-	-	2,946	2,946
At 31 March 2014	8,604	37,583	101,054	147,241
Accumulated depreciation				
At 1 April 2013	8,604	35,316	94,220	138,140
Charge for the period	-	1,188	2,556	3,744
At 31 March 2014	8,604	36,504	96,776	141,884
Net book value				
At 31 st March 2014	-	1,079	4,278	5,357
At 1 st April 2013	-	2,267	3,888	6,155

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

9. Intangible fixed assets

	Development costs £	Total £
Cost		
At 1 April 2013 and 31 March 2014	375,486	375,486
Amortisation		
At 1 April 2013 and 31 March 2014	375,486	375,486
Charge for the period	-	-
At 31 March 2014	375,486	375,486
Net book value		
At 31 March 2014	-	-
At 31 March 2013	-	-

Capitalised development costs represent the investment in the clinicalvision web-based framework and the clinicalvision transplant application, both of these projects met the accounting policy requirements for capitalisation. An impairment review is undertaken annually to compare the future cash flows expected to be generated from these assets from known and forecasted revenues.

10. Debtors

	2014 £	2013 £
Trade debtors	66,546	45,246
Tax credit receivable	200,000	130,000
Amounts owed by group undertakings	380,452	373,083
Prepayments and accrued income	7,878	11,435
	654,876	559,764

The amounts owed by group undertakings are trade debtors, settled in the normal course of business and are not charged interest. All current group undertakings are payable within 30 days from invoicing.

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

11. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	1,657	29,071
Amounts owed to group undertakings	7,724,598	7,607,553
Other taxation and social security	41,922	41,076
Accruals	6,985	77,733
Deferred income	136,527	120,648
	<u>7,911,689</u>	<u>7,876,081</u>

The amounts owed to group undertakings includes an amount of £3,216,491 (2013: £3,216,491) of principal and £1,625,033 (2013: £1,443,628) of interest. The principal and interest is payable on demand, and bears an interest rate of the UK base rate plus 2%. The parent company has provided confirmation that the loan will not be called within twelve months of the signing of these financial statements.

12. Bank Loans

The company paid off and cancelled its borrowing facility in 2013. During the period covered by these accounts all borrowings against this facility were subject to a variable interest rate of 1.625% over the lending bank's base rate.

13 Called up share capital

	2014 £	2013 £
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

14. Reconciliation of movements in Profit and loss account

	2014 £	2013 £
Opening shareholders' deficit	(6,405,156)	(5,899,230)
Loss for the period	<u>(605,816)</u>	<u>(505,926)</u>
Closing shareholders' deficit	<u>(7,010,972)</u>	<u>(6,405,156)</u>

Clinical Computing UK Limited

Notes to the financial statements Year ended 31 March 2014

15. Reconciliation of movements in shareholders' deficit

	2014 £	2013 £
Opening shareholders' deficit	(6,405,154)	(5,899,228)
Loss for the period	<u>(605,816)</u>	<u>(505,926)</u>
Closing shareholders' deficit	<u><u>(7,010,970)</u></u>	<u><u>(6,405,154)</u></u>

16. Commitments

All operating leases during the period were entered into by the parent company, Clinical Computing Plc. Clinical Computing Plc manages the operating leases for the company as part of its management fee. An allocation of cost is made annually based on usage. The annual commitments related to operating leases are disclosed in the accounts of Clinical Computing Plc.

There were, at the balance sheet date, no capital commitments contracted but not provided for (2013 – none).

17. Related Party transactions

The Company has taken advantage of the provision of the exemption in FRS8 from the disclosure of transactions with other entities owned by the Clinical Computing Plc Group. J Marlovits, a director of the Company and Clinical Computing Plc, has accrued salaries and pensions due to him at the end of the year in the amount of £nil (2013: £54,333). No interest was accrued on the outstanding amount due to J Marlovits. S Gandhi, a director of the company had accrued salary due to him at the end of the year in the amount of £nil (2013: £21,000). No interest was accrued on the outstanding amount due to S Gandhi.

18. Ultimate parent undertaking

The only group in which the results of Clinical Computing UK Limited are consolidated is that headed by Clinical Computing Plc, whose registered address is IP City Centre, 1 Bath Street, Ipswich, IP2 8SD and whose consolidated financial statements are available to the public from that address.

The directors regard Clinical Computing Plc, a company incorporated in Great Britain, as the immediate and ultimate parent company and the ultimate controlling party.