

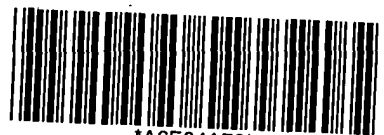
# Healthcare 21 (UK) Limited

Directors' report and  
financial statements

Year ended 30 December 2016

*Registered number: 05020682*

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# Healthcare 21 (UK) Limited

## Directors' report and financial statements

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# Healthcare 21 (UK) Limited

## Directors and other information

### Directors

Owen Curtin  
David Frederick  
Tara Kearney  
Trevor Rodgers

### Secretary

Trevor Rodgers

### Registered office

The Cuneiform  
Maude Street  
Leeds  
England  
LS2 7HB

### Auditor

KPMG  
Chartered Accountants  
90 South Mall  
Cork

### Bankers

Bank of Ireland Finance  
43 Maspil Road  
Dublin 4

Bank of Ireland plc  
Enniskillen  
Co. Fermanagh

BNP Paribas  
5 Aldermanbury Square  
London  
United Kingdom

### Solicitors

Barrett & Co Solicitors LLP  
Salisbury House  
54 Queens Road  
Reading  
England  
RG1 4AZ

### Registered number

05020682

# Healthcare 21 (UK) Limited

## Directors report

The directors present their report and the audited financial statements of Healthcare 21 (UK) Limited ("the Company") for the year ended 30 December 2016.

### Principal activities, business review and future developments

The principal activity of the Company is to provide specialist healthcare sales of medical devices within the UK surgical and critical care sector.

Operating profits have increased against the prior period and the directors of the Company are satisfied with the performance.

The directors expect the general activity to increase in the foreseeable future.

### Results and dividends

The results for the year are set out in the profit and loss account on page 7 and the related notes.

No dividend was paid during the year (2015: £Nil).

### Financial risk management objectives and policies

The Company's operations expose it to a variety of financial risks that include foreign exchange risk, credit risk and liquidity risk. The Company has in place a risk management programme that seeks to manage the financial exposures and liquidity risk of the Company and a treasury policy that has been approved by the Board. The policies set out are implemented by the Company's finance department and include specific guidelines to manage exchange risk and credit risk, and circumstances where it would be appropriate to use financial instruments to manage these risks. The Company has implemented policies that require appropriate credit checks on potential customers before sales are made.

### Directors and secretary

The following directors and secretary held office through the year and subsequent period to date:

Owen Curtin  
David Frederick  
Tara Kearney  
Trevor Rodgers (Secretary and Director)

### Accounting records

The directors believe that they have complied with the requirements of the Companies Act 2006 with regard to books of account by engaging the services of another group company with appropriate expertise and financial function resources. The books of account of the Company are maintained at Unit 5 and 6 Westpoint Business Park, Ballincollig, Co. Cork, Ireland.

# Healthcare 21 (UK) Limited

## Directors' report *(continued)*

### Statement of disclosure to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year (2015: £Nil).

### Employees

The Company's employment policies are aimed at informing, training and motivating all its employees. The Company has an effective system of internal communications that ensures employees are kept well informed about the Company's business.

The health and safety of the Company's employees is of primary concern. It is therefore the policy of the Company to manage its affairs so as to avoid unnecessary and unacceptable risks to the health and safety of its employees.

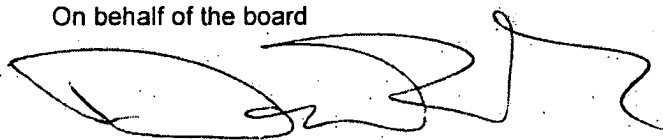
### Post balance sheet events

There were no significant events affecting the Company since the year end.

### Independent auditor

In accordance with section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

On behalf of the board



David Frederick  
Director  
The Cuneiform  
Maude Street  
Leeds  
England  
LS2 7HB

20/7/2017

## Healthcare 21 (UK) Limited

### Statement of directors' responsibilities in respect of the annual report and the financial statements

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

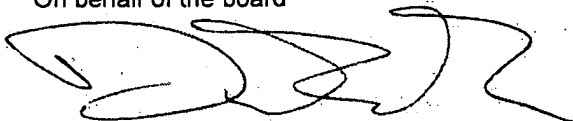
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting 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 of the Company for that year. 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 Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



David Frederick  
Director



KPMG  
Audit  
90 South Mall  
Cork  
T12 KXV9  
Ireland

## Independent auditor's report to the members of Healthcare 21 (UK) Limited

We have audited the financial statements of Healthcare (UK) Limited for the year ended 30 December 2016 which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

### Opinions and conclusions arising from our audit

#### **1 Our opinion on the financial statements is unmodified**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below**

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

- We have not identified material misstatements in that report; and
- In our opinion, that report has been prepared in accordance with the Companies Act 2006.

#### **3 We have nothing to report in respect of matters on which we are required to report by exception**

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in respect of the above responsibilities.



KPMG  
Audit  
90 South Mall  
Cork  
T12 KXV9  
Ireland

## Independent auditor's report to the members of Healthcare 21 (UK) Limited (continued)

### Basis of our report, responsibilities and restrictions on use

As explained more fully in the statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.

Celine Fox

for and on behalf of KPMG, Statutory Auditor  
Chartered Accountants  
90 South Mall  
Cork

20 July 2017



## Healthcare 21 (UK) Limited

### Profit and loss account and other comprehensive income for the year ended 30 December 2016

	Note	2016 £'000	2015 Restated £'000
Turnover	2	16,077	10,498
Cost of sales		(11,396)	(7,429)
<b>Gross profit</b>		<b>4,681</b>	<b>3,069</b>
Distribution expenses		(1,815)	(1,164)
Administration expenses		(2,220)	(1,372)
Other operating income	4	25	5
<b>Operating profit</b>		<b>671</b>	<b>538</b>
Interest payable and similar charges	3	(46)	(5)
<b>Profit on ordinary activities before taxation</b>	5	<b>625</b>	<b>533</b>
Taxation	8	(120)	(105)
<b>Profit for the year</b>		<b>505</b>	<b>428</b>

The Company had no gains or losses in the financial year or the preceding financial year other than those shown in the profit and loss account.

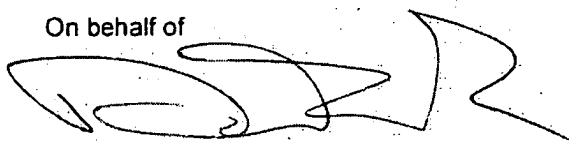
# Healthcare 21 (UK) Limited

## Balance sheet

as at 30 December 2016

	Note	2016 £'000	2015 £'000
<b>Fixed assets</b>			
Tangible assets	9	22	61
<b>Current assets</b>			
Debtors	10	5,100	8,587
Cash at bank and in hand	11	706	575
		<b>5,806</b>	<b>9,162</b>
<b>Creditors: amounts falling due within one year</b>	12	<b>(4,546)</b>	<b>(8,446)</b>
<b>Net current assets</b>		<b>1,260</b>	<b>716</b>
<b>Net assets</b>		<b>1,282</b>	<b>777</b>
<b>Capital and reserves</b>			
Called up share capital	14	-	-
Profit and loss account		<b>1,282</b>	<b>777</b>
<b>Shareholders' funds</b>		<b>1,282</b>	<b>777</b>

On behalf of



David Frederick  
Director

Company registered number: 05020682

# Healthcare 21 (UK) Limited

## Statement of changes in equity for the year ended 30 December 2016

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2015	-	349	349
<b>Total comprehensive income for the year</b>			
Profit for the year	-	428	428
Total comprehensive income for the year	-	428	428
<b>Balance at 30 December 2015</b>	-	777	777
Balance at 31 December 2015	-	777	777
<b>Total comprehensive income for the year</b>			
Profit for the year	-	505	505
Total comprehensive income for the year	-	505	505
<b>Balance at 30 December 2016</b>	-	1,282	1,282

# Healthcare 21 (UK) Limited

## Cash flow statement

for the year ended 30 December 2016

	2016 £'000	2015 £'000
<b>Cash flows from operating activities</b>		
Profit for the year	505	428
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment	43	74
Interest payable and similar charges	46	5
Gain on sale of tangible fixed assets	(25)	(5)
Taxation	120	105
	<hr/>	<hr/>
	689	607
(Increase)/decrease in trade and other debtors	3,487	(6,706)
Increase/(decrease) in trade and other creditors	(3,707)	5,281
	<hr/>	<hr/>
	469	(818)
Interest paid	(46)	(5)
Tax paid	(58)	(145)
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	365	(968)
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Proceeds from sale of tangible fixed assets	25	12
Acquisition of tangible fixed assets	(4)	(11)
	<hr/>	<hr/>
<b>Net cash from investing activities</b>	21	1
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Directors loan	100	-
(Repayment)/proceeds from financing activities	(355)	982
	<hr/>	<hr/>
<b>Net cash flow from financing activities</b>	(255)	982
	<hr/>	<hr/>
Net increase in cash and cash equivalents	131	15
Cash and cash equivalents at 31 December	575	560
	<hr/>	<hr/>
<b>Cash and cash equivalents at year end</b>	706	575
	<hr/>	<hr/>

# Healthcare 21 (UK) Limited

## Notes

*forming part of the financial statements*

### 1 Accounting policies

Healthcare 21 (UK) Limited is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in September 2015. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### ***Change in accounting policy/prior year adjustment***

The Company has not changed any of its accounting recognition and measurement policies. Prior year reclassifications are detailed in note 20.

#### ***1.1 Measurement convention***

The financial statements are prepared on a historical cost basis.

#### ***1.2 Going concern***

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continued to adopt the going concern basis in preparing its financial statements.

#### ***1.3 Foreign currency***

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### ***1.4 Classification of financial instruments issued by the Company***

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

# Healthcare 21 (UK) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.4 Classification of financial instruments issued by the Company (continued)

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

#### 1.5 Basic financial instruments

##### *Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose only of the cash flow statement.

#### 1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The Company assesses at each reporting date whether tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

Office equipment	3 years
Computer equipment	3 years
Motor vehicles	3 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

# Healthcare 21 (UK) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.7 Impairment of financial assets

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

#### 1.8 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the Company's ordinary activities. Turnover is recognised and invoices issued on the dispatch of goods.

#### 1.9 Expenses

##### *Interest payable*

Interest payable and similar charges include interest payable on funds received.

#### 1.10 Employee benefits

##### *Defined contribution plans and other long term employee benefits*

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

#### 1.11 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

# Healthcare 21 (UK) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.11 Taxation (continued)

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

<b>2</b>	<b>Turnover</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
	<b>Class of business</b>		
	Medical product sales in the UK	<b>16,077</b>	<b>10,498</b>
		<hr/>	<hr/>
<b>3</b>	<b>Interest payable and similar charges</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
	Bank charges	<b>46</b>	<b>5</b>
		<hr/>	<hr/>
		<b>46</b>	<b>5</b>
		<hr/>	<hr/>
<b>4</b>	<b>Other operating income</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
	Net gain on disposal of tangible fixed assets	<b>25</b>	<b>5</b>
		<hr/>	<hr/>
		<b>25</b>	<b>5</b>
		<hr/>	<hr/>



# Healthcare 21 (UK) Limited

## Notes (continued)

### 5 Statutory and other information

	2016 £'000	2015 £'000
<i>Profit on ordinary activities before taxation is stated after charging/(crediting):</i>		
Depreciation of tangible fixed assets	43	74
Foreign exchange loss	-	11
Operating lease	-	1
	<hr/>	<hr/>
<i>Auditor's remuneration</i>		
- audit of the financial statements	3	3
	<hr/>	<hr/>
<i>Other fees:</i>		
- tax advisory services	1	1
	<hr/>	<hr/>

### 6 Staff numbers and costs

	Number of employees	
	2016 Number	2015 Number
<i>The average monthly numbers of employees (including the directors) during the year were:</i>		
Selling and distribution	17	10
	<hr/>	<hr/>
	17	10
	<hr/>	<hr/>
	2016 £'000	2015 £'000
<b>Employment costs</b>		
Wages and salaries	1,125	559
Social welfare costs	144	71
Pension	79	31
	<hr/>	<hr/>
	1,348	661
	<hr/>	<hr/>

### 7 Directors' remuneration

	2016 £'000	2015 £'000
Remuneration and other emoluments	-	-
Pension contributions	40	55
	<hr/>	<hr/>
	40	55
	<hr/>	<hr/>

# Healthcare 21 (UK) Limited

## Notes (continued)

### 7 Directors' remuneration (continued)

Retirement benefits are accruing to the following number of directors under:

	Number of directors 2016	2015
Defined contribution scheme	1	1

### 8 Taxation

	2016 £'000	2015 £'000
<b>Total tax expense recognised in the profit and loss Account, other comprehensive income and equity</b>		
<i>Current tax</i>		
Current tax on income for the year	120	119
Adjustments in respect of prior periods	-	(14)
<b>Total tax</b>	<b>120</b>	<b>105</b>
<b>Reconciliation of effective tax rate for the year</b>		
Profit for the year	505	428
Total tax expense	120	105
<b>Profit excluding taxation</b>	<b>625</b>	<b>533</b>
Tax using the UK corporation tax in the UK of 20% (2015: 20.25%)	125	108
Non-deductible tax expenses	3	-
Deferred tax not recognised	(8)	11
Adjustments in respect of previous periods	-	(14)
<b>Total tax charge for year</b>	<b>120</b>	<b>105</b>

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the Company's future current tax charge accordingly.

A deferred tax asset of £11k (2015: £19k) has not been recognised.

On 29 March 2017, the UK Government invoked Article 50 of the Treaty of Lisbon, notifying the European Council of its intention to withdraw from the European Union (the 'EU'). There is an initial two-year timeframe for the UK and EU to reach an agreement on the withdrawal and the future UK and EU relationship although this timeframe can be extended.

## Healthcare 21 (UK) Limited

### Notes (continued)

#### 8 Taxation (continued)

At this stage, there is significant uncertainty about the withdrawal process; its timeframe; and the outcome of the negotiations about the future arrangements between the UK and the EU. As a result, there is significant uncertainty as to the period for which the existing EU laws for member states will continue to apply to the UK and which laws will apply to the UK after an exit. Following the negotiations between the UK and the EU, the UK's tax status may change and this may impact the Company. However, at this stage the level of uncertainty is such that it is impossible to determine if, how and when that tax status will change.

9 Tangible fixed assets	Computer equipment £'000	Office equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>				
At beginning of year	21	5	188	214
Additions in year	-	4	-	4
Disposal	(8)	-	(73)	(81)
<b>At end of year</b>	<b>13</b>	<b>9</b>	<b>115</b>	<b>137</b>
<b>Depreciation</b>				
At beginning of year	11	-	142	153
Charge for the year	5	3	35	43
Depreciation on disposals	(8)	-	(73)	(81)
<b>At end of year</b>	<b>8</b>	<b>3</b>	<b>104</b>	<b>115</b>
<b>Net book values</b>				
At 30 December 2016	5	6	11	22
At 31 December 2015	10	5	46	61

10 Debtors	2016 £'000	2015 £'000
Trade debtors	2,721	3,293
Other debtors and prepayments	47	16
Amounts due from Group Company – trading	1,750	4,581
VAT	582	697
	<b>5,100</b>	<b>8,587</b>

Trade debtors are stated net of a provision of impairment of £21,100 (2015: £21,100).

## Healthcare 21 (UK) Limited

### Notes (continued)

<b>11 Cash and cash equivalents/bank overdrafts</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
Cash at bank and in hand	706	575
Cash and cash equivalents per cash flow statement	706	575

<b>12 Creditors: amounts falling due within one year</b>	<b>2016 £'000</b>	<b>2015 Restated £'000</b>
Trade and other creditors	2,985	1,107
Accruals and deferred income	389	377
Amounts due to group – trading	325	5,922
Corporation tax	120	58
Asset based lending facilities	627	982
Directors' loan	100	-
	4,546	8,446

### 13 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's and holding Company's interest bearing loans and borrowings, which are measured at amortised cost.

<b>Creditors: amounts falling due within one year</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
Asset based lending facilities	627	982
Directors loan	100	-
	727	982

Bank indebtedness is secured in favour of BNP Paribas Commercial Finance Limited by debenture over the fixed and floating assets of the Company.

BNP Paribas Commercial Finance Limited hold a cross company guarantee given by Primacy Healthcare 21, Primacy Healthcare (Ireland) Limited, Lyncare Systems Limited, Primacy Healthcare 21 International Limited and Primacy Healthcare Holding Company over asset based lending facilities of Healthcare 21 (UK) Limited.

# Healthcare 21 (UK) Limited

## Notes (continued)

### 13 Interest-bearing loans and borrowings

#### Terms and debt repayment

	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2016 £'000	2015 £'000
Asset based lending facility	Euro	Cost of funds rate +15%	-	Monthly	627	982
Directors loan	Euro	-	Payable on demand	On demand	100	-
					<u>727</u>	<u>982</u>

### 14 Called up share capital

#### Authorised equity

1,000 ordinary shares of £1 each

2016  
£'000

2015  
£'000

1

1

#### Allotted, called up and fully paid

100 ordinary shares of £1

-

-

### 15 Immediate and ultimate parent undertaking

Primacy Healthcare 21 (International) Limited, an Irish incorporated and resident company, is the Company's parent undertaking, holding 100% of the equity capital of the Company.

The ultimate parent undertaking is Primacy Healthcare 21 Holding Co, a company incorporated and resident in the Republic of Ireland.

### 16 Related party transactions

The Company was charged a strategic management service fee of £1,606k (2015: £1,089k) and purchased goods of £10,837k (2015: £6,478k) from Primacy Healthcare 21. Primacy Healthcare 21 (International) Limited was owed £229k (2015: £5,922k) as at 30 December 2016.

Sales and purchases to Primacy Healthcare 21 were £6,702k (2015: £5,904k) and £10,837k (2015: £7,153k) during the year respectively. Amounts due from Primacy Healthcare 21 is £1,741k (2015: £4,581k) as at 30 December 2016.

Arcadien Limited is a related party to a director, David Frederick, which received a consultancy fee of £Nil (ex. VAT) (2015: £Nil) during the year.

Key management personnel comprises of the board of directors where their remuneration is disclosed in note 7. Some directors received no remuneration for their services provided to the Company.

At 30 December 2016, the Company owed £100k (2015: £Nil) to a company director.

## Healthcare 21 (UK) Limited

### Notes (continued)

#### 17 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2016 £'000	2015 £'000
Less than one year	108	207
Between one and two years	122	158
More than two years	-	107
	<hr/>	<hr/>
	230	472
	<hr/>	<hr/>

#### 18 Guarantees

Bank indebtedness is secured in favour of BNP Paribas Commercial Finance Limited by debenture over the fixed and floating assets of the Company. BNP Paribas Commercial Finance Limited hold a cross company guarantee given by Primacy Healthcare 21 and Primacy Healthcare 21 Holding Company over the asset based lending facilities of Healthcare 21 (UK) Limited.

The Company has also given a cross company guarantee to BNP Paribas Commercial Finance Limited in relation to Primacy Healthcare 21 asset based lending facilities.

#### 19 Post balance sheet events

No events have occurred since year end that require disclosure or amendment in the financial statements.

#### 20 Comparative amounts

Comparative amounts have been regrouped/restated, where necessary, on the same basis as those for the current year. £925k was reclassified from administration costs to selling and distribution costs, £9k was reclassified from administration costs to other operating income, and £25k was reclassified from administration costs to interest payable and similar charges in the comparative figures.

#### 21 Approval of financial statements

The directors approved the financial statements on

20/7/2017