

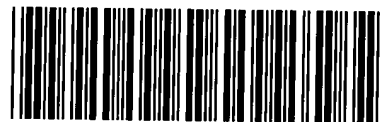
Company registration number: 05418732

**Concordia Health Limited**

**Financial statements**

**30 September 2016**

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## **Concordia Health Limited**

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**Concordia Health Limited**

**Directors responsibilities statement  
Year ended 30 September 2016**

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent; 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 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.

**Concordia Health Limited**

**Statement of financial position  
30 September 2016**

	Note	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	6	66,330		86,122	
Investments	7	159,317		150,000	
			225,647		236,122
<b>Current assets</b>					
Stocks		60,559		54,338	
Debtors:					
Amounts falling due after more than one year	8	1,966,838		1,289,039	
Amounts falling due within one year	8	587,077		1,031,636	
Cash at bank and in hand		114,878		284,234	
		2,729,352		2,659,247	
<b>Creditors: amounts falling due within one year</b>	9	(1,327,428)		(1,263,254)	
<b>Net current assets</b>		1,401,924		1,395,993	
<b>Total assets less current liabilities</b>		1,627,571		1,632,115	
<b>Creditors: amounts falling due after more than one year</b>	10	(677,077)		(288,100)	
<b>Provisions for liabilities</b>		(10,536)		(13,697)	
<b>Net assets</b>		939,958		1,330,318	
<b>Capital and reserves</b>					
Called up share capital - allotted and fully paid		99		99	
Profit and loss account		939,859		1,330,219	
<b>Shareholders funds</b>		939,958		1,330,318	

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

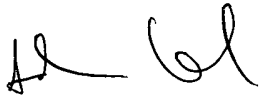
In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

**The notes on pages 5 to 13 form part of these financial statements.**

**Concordia Health Limited**

**Statement of financial position (continued)**  
**30 September 2016**

These financial statements were approved by the board of directors and authorised for issue on 8 June 2017, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'A Hurd', written in a cursive style.

**Mr A Hurd**  
**Director**

**Company registration number: 05418732**

**The notes on pages 5 to 13 form part of these financial statements.**

## **Concordia Health Limited**

### **Notes to the financial statements Year ended 30 September 2016**

#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Alexandra House, 43 Alexandra Street, Nottingham, NG5 1AY. The principal place of business is Unit 10.1.1, The Leathermarket, 11 - 13 Weston Street, London, SE1 3ER.

The principal activity of the company is to manage and operate a portfolio of medical practices.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity rounded to the nearest £.

##### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 16.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Completeness of contract liabilities - given the nature of the company's business liabilities in relation to certain contracts can be received some time after the event and the company provides for the anticipated costs in its financial statements.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for income from NHS and APMS contracts, enhanced services and other medical related NHS and non-NHS income.

## **Concordia Health Limited**

### **Notes to the financial statements (continued)** **Year ended 30 September 2016**

#### **Taxation**

The taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	-	Straight line over the life of the lease
Computer equipment	-	25% straight line
Fittings fixtures and equipment	-	25% reducing balance
Surgery improvements	-	20% straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### **Fixed asset investments**

Fixed asset listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

#### **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

#### **Stocks**

Stocks are measured at the lower of cost and net realisable value.

## **Concordia Health Limited**

### **Notes to the financial statements (continued) Year ended 30 September 2016**

#### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

The pension costs charged represent contributions payable by the company during the year to the NHS Pension Scheme, a multi-employer defined benefit scheme. The pension liability is the responsibility of the NHS Pension Scheme which does not identify the assets and liabilities that are attributable to the company. Accordingly, the scheme is accounted for as if it were a defined contribution scheme.

**Concordia Health Limited**

**Notes to the financial statements (continued)**  
**Year ended 30 September 2016**

**4. Staff costs**

The average number of persons employed by the company during the year, including the directors was 93 (2015: 114).

**5. Profit before taxation**

Profit before taxation is stated after charging/(crediting):

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible assets	35,503	51,466
Fees payable for the audit of the financial statements	<u>13,000</u>	<u>13,000</u>

**6. Tangible assets**

	Short leasehold improvements	Computer equipment	Fixtures, fittings and equipment	Surgery improvements	<b>Total</b>
	£	£	£	£	£
<b>Cost</b>					
At 1 October 2015	30,470	83,719	150,104	121,966	386,259
Additions	-	-	15,711	-	15,711
<b>At 30 September 2016</b>	<u>30,470</u>	<u>83,719</u>	<u>165,815</u>	<u>121,966</u>	<u>401,970</u>
<b>Depreciation</b>					
At 1 October 2015	30,470	70,043	107,565	92,059	300,137
Charge for the year	-	11,126	12,528	11,849	35,503
<b>At 30 September 2016</b>	<u>30,470</u>	<u>81,169</u>	<u>120,093</u>	<u>103,908</u>	<u>335,640</u>
<b>Carrying amount</b>					
<b>At 30 September 2016</b>	<u>-</u>	<u>2,550</u>	<u>45,722</u>	<u>18,058</u>	<u>66,330</u>
At 30 September 2015	<u>-</u>	<u>13,676</u>	<u>42,539</u>	<u>29,907</u>	<u>86,122</u>

**Concordia Health Limited**

**Notes to the financial statements (continued)**  
**Year ended 30 September 2016**

**7. Investments**

	Listed investments	Total
	£	£
<b>Valuation</b>		
At 1 October 2015	150,000	150,000
Revaluation	9,317	9,317
<b>At 30 September 2016</b>	<u>159,317</u>	<u>159,317</u>
<b>Impairment</b>		
At 1 October 2015 and 30 September 2016	<u>-</u>	<u>-</u>
<b>Carrying amount</b>		
At 30 September 2016	<u>159,317</u>	<u>159,317</u>
At 30 September 2015	<u>150,000</u>	<u>150,000</u>

**8. Debtors**

Debtors falling due within one year are as follows:

	2016 £	2015 £
Trade debtors	339,875	717,432
Other debtors	247,202	314,204
	<u>587,077</u>	<u>1,031,636</u>

Debtors falling due after one year are as follows:

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,910,137	1,232,338
Other debtors	56,701	56,701
	<u>1,966,838</u>	<u>1,289,039</u>

**Concordia Health Limited**

**Notes to the financial statements (continued)**  
**Year ended 30 September 2016**

**9. Creditors: amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	10,800
Trade creditors	544,047	1,009,758
Corporation tax	45,789	58,504
Social security and other taxes	87,704	89,139
Other creditors	649,888	95,053
	<u>1,327,428</u>	<u>1,263,254</u>

The company's bank has obtained a fixed and floating charge against all assets of the company.

**10. Creditors: amounts falling due after more than one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	13,007
Amounts owed to group undertakings and undertakings in which the company has a participating interest	673,487	266,118
Other creditors	3,590	8,975
	<u>677,077</u>	<u>288,100</u>

The directors have classified all inter-company loans, both debtors and creditors, as falling due after more than one year. Whilst the loans fluctuate during the year as cash flow demands require, the Board considers them to be financing in nature and there is no intention for them to be fully repaid by 30 September 2017.

Loans made to group undertakings, reported as debtors, have been issued to provide cash flow financing during a period when the directors envisage significant growth in the borrowing companies' activities.

Loans received from other group undertakings, reported as creditors, are classified as falling due after more than one year as they are being used as medium term financing for the Concordia Health business.

**Concordia Health Limited**

**Notes to the financial statements (continued)**  
**Year ended 30 September 2016**

**11. Operating leases**

**The company as lessee**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	168,136	163,796
Later than 1 year and not later than 5 years	116,217	284,353
	<u>284,353</u>	<u>448,149</u>

**12. Summary audit opinion**

The auditor's report for the year dated 9 June 2017 was unqualified.

The senior statutory auditor was Martin Berry BA FCA, for and on behalf of Hobsons CA Limited.

# Concordia Health Limited

## Notes to the financial statements (continued) Year ended 30 September 2016

### 13. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2016			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Dr J W Chisholm	12,980	-	-	12,980
Mr A Hurd	205,000	-	-	205,000
	<u>217,980</u>	<u>-</u>	<u>-</u>	<u>217,980</u>
	2015			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Dr J W Chisholm	11,793	3,641	(2,454)	12,980
Mr A Hurd	205,000	-	-	205,000
	<u>216,793</u>	<u>3,641</u>	<u>(2,454)</u>	<u>217,980</u>

Movements on the loans related to additional loans to, or repayments from, the directors.

### 14. Related party transactions

The company has taken advantage of the exemption from disclosing transactions and balances with fellow Concordia Health Holdings LLP group companies where one party to the transaction is wholly owned.

Included also in creditors at 30 September 2016 were the following amounts owed to directors:

S Fradd - £471,743 (2015 - £39,137);  
T Hurd - £97,576 (2015 - £nil).

### 15. Ultimate parent undertaking

The ultimate parent undertaking during the year was Concordia Health Holdings LLP.

The only consolidated accounts prepared that incorporate the results of Concordia Health Limited are those of Concordia Health Holdings LLP. The consolidated accounts are available from Companies House.

**Concordia Health Limited**

**Notes to the financial statements (continued)**  
**Year ended 30 September 2016**

**16. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 October 2014.

**Reconciliation of equity**

No transitional adjustments were required.

**Reconciliation of profit or loss for the year**

No transitional adjustments were required.