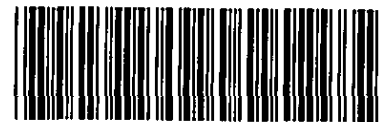


Company Registration No 06003737 (England and Wales)

ABBAY DENTAL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

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ABBEY DENTAL LIMITED

COMPANY INFORMATION

Directors	J Kotecha E Chand
Secretary	J Kotecha
Company number	06003737
Registered office	25 Manchester Square London W1U 3PY
Auditors	Brett Adams 25 Manchester Square London W1U 3PY

ABBEY DENTAL LIMITED

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ABBEY DENTAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and financial statements for the year ended 31 March 2012

Principal activities

The principal activity of the company during the year was to act as a holding company

The principal activity of the group is the operation of dental practices

The group's revenue is principally derived from fixed income contracts with local Primary Care Trusts, with the variable income based on treatment provided to patients under private contracts

Group turnover for the year was £2.0M (2011: £2M), with an operating profit of £129k (2011: £48k). Earnings before interest, tax, depreciation and amortisation ("EBITDA") is a key indicator for management. In the year, EBITDA for the group was £552k (2011: £448k).

Results and dividends

The results for the year are set out on page 5

An interim ordinary dividend was paid amounting to £200,000 (2011: £214,875). The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 April 2011

J Kotecha
E Chand

Principal risks and uncertainties

The directors consider the following to be the principal risks and uncertainties

Shortage of appropriately skilled dental workers - the risk is mitigated by recruiting and retaining skilled dental performers and continual performance management of those individuals once employed

The ability to ensure that the growth in patient numbers can be treated - the risk is mitigated by providing a good working environment with opportunities for revenue development

Risk management

The group's operations expose it to a variety of financial risks that include liquidity risk, credit risk and interest rate risk

Liquidity risk

The group manages its cash and borrowing requirements in order to ensure that the group has sufficient liquid resources to meet its operating needs

Interest rate risk

The group has reduced its exposure to interest rate risk by entering into fixed rate borrowings

Credit risk

The group has limited exposure to debts due from an individual customer and where large-value sales are to be undertaken with an individual, payment is taken in advance or in stages as the work progresses

ABBHEY DENTAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

Key performance indicator

As noted above, one of the key performance indicators ("KPIs") which the director monitors is EBITDA. This is reviewed in absolute terms, in relation to budget and prior year comparatives and by reference to the group's debt position.

Other KPIs used by the group include dentist retention and NHS activity performance against target. The directors consider this information to be commercially sensitive and as a consequence details are not disclosed within this report.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Brett Adams be reappointed as auditors of the company will be put to the Annual General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group 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,
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group 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.

Statement of disclosure to auditors

In so far as the directors are aware,

(a) There is no relevant audit information of which the group's auditors are unaware, and

(b) 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 the group's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



J Kotecha

Director

10 December 2012

ABBEY DENTAL LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ABBEY DENTAL LIMITED

We have audited the financial statements of Abbey Dental Limited for the year ended 31 March 2012 which comprise the Consolidated Profit and Loss Account, the Consolidated and Parent Company Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 set out on pages 1 - 2, 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 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, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 20 to the financial statements.

Scope of the audit of the financial statements

An audit 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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 year for which the financial statements are prepared is consistent with the financial statements.

ABBEY DENTAL LIMITED

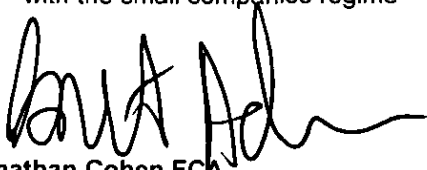
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ABBEY DENTAL LIMITED

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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



Jonathan Cohen FCA
(Senior Statutory Auditor)
for and on behalf of Brett Adams
Chartered Accountants
Statutory Auditor

10 DECEMBER 2012

25 Manchester Square
London
W1U 3PY

ABBEY DENTAL LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Turnover	2	1,991,788	1,964,105
Cost of sales		(1,021,715)	(1,079,188)
Gross profit		970,073	884,917
Administrative expenses		(865,945)	(836,917)
Operating profit	3	104,128	48,000
Other interest receivable and similar income	4	-	442
Interest payable and similar charges		(9,410)	(13,432)
Profit on ordinary activities before taxation		94,718	35,010
Tax on profit on ordinary activities	5	(24,361)	(7,780)
Profit for the year	15	70,357	27,230

ABBAY DENTAL LIMITED

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Intangible assets	7	111,677		510,401	
Tangible assets	8	130,910		67,660	
			242,587		578,061
Current assets					
Stocks	10	11,841		11,594	
Debtors	11	99,821		83,938	
Cash at bank and in hand		128,808		203,522	
			240,470		299,054
Creditors amounts falling due within one year	12	(384,785)		(431,860)	
Net current liabilities			(144,315)		(132,806)
Total assets less current liabilities			98,272		445,255
Creditors amounts falling due after more than one year	13		(170,472)		(387,812)
			(72,200)		57,443
Capital and reserves					
Called up share capital	14	100		100	
Profit and loss account	15	(72,300)		57,343	
Shareholders' funds	16	(72,200)		57,443	

Approved by the Board for issue on 10 December 2012


J Kotecha
Director

Company Registration No 06003737


ABBEE DENTAL LIMITED

COMPANY BALANCE SHEET AS AT 31 MARCH 2012

	Notes	£	2012 £	£	2011 £
Fixed Assets					
Investments	9		3		3
Current Assets					
Debtors	11	394,675		620,875	
Cash at bank and in hand		97		1,348	
		<u>394,772</u>		<u>622,223</u>	
Creditors. amounts falling due within one year	12	<u>(228,515)</u>		<u>(228,515)</u>	
Net current liabilities			166,257		393,708
Total assets less current liabilities			166,260		393,711
Creditors amounts falling due after more than one year	13		(170,472)		(387,812)
			<u>(4,212)</u>		<u>5,899</u>
Capital and Reserves					
Called up share capital	14		100		100
Profit and loss account	15		(4,312)		5,799
Shareholders' Funds - equity interests			<u>(4,212)</u>		<u>5,899</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board on 10 December 2012



J Kotecha
Director

Company Registration No 6003737

ABBEY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents the income received in the ordinary course of business for dentistry goods and services provided, to the extent that the company has obtained the right to consideration. Turnover derived from NHS contracts is recognised on the volume of dental activity delivered in the contract period. Turnover from private dental work is recognised on the stage of completion of each piece of treatment carried out.

1.4 Goodwill

Goodwill arising from the purchase of companies and business assets of dental practices, representing the excess of the purchase consideration over the fair value of the net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful life of 5 years.

In calculating goodwill, the total consideration, both actual and deferred, is taken into account. Where the deferred consideration is contingent and dependent upon future trading performance, an estimate of the present value of the likely consideration payable is made. This deferred consideration is re-assessed annually and corresponding adjustment is made to the goodwill arising on acquisition.

Goodwill is reviewed for impairment at the end of its first full financial year following acquisition and other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	15% per annum reducing balance
--------------------------------	--------------------------------

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Fixed asset investments

Investments in subsidiary undertakings are initially recorded at cost, less any provisions booked for impairment as considered necessary by the directors. The value of the investments is reviewed for impairment in other periods, if events or changes in circumstances indicate the carrying value may not be recoverable.

1.8 Stock

Stock is valued at the lower of cost and net realisable value.

ABBEY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies (continued)

1 9 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exception

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

1 10 Group accounts

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings made up to the end of the financial year. Subsidiaries are consolidated from the date on which control is transferred to the group

1 11 Financial Liabilities and Issue costs

All borrowings are initially stated at the fair value of the consideration received after deduction of issue costs. Issue costs are charged as finance costs to the profit and loss account over the term of the borrowing (or over a shorter period) where the lender can require earlier repayment

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit	2012 £	2011 £
Operating profit is stated after charging		
Amortisation of intangible assets	398,724	398,725
Depreciation of tangible assets	23,761	11,587
Auditors' remuneration	5,350	5,350
Other non- audit fees	10,042	12,737
	<u> </u>	<u> </u>

There was no director's remuneration for the year (2011 £Nil)

4 Investment income	2012 £	2011 £
Bank interest	-	442
	<u> </u>	<u> </u>
	-	442
	<u> </u>	<u> </u>

ABBAY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2012**

5	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U K corporation tax	24,025	7,780
	Adjustment for prior years	336	-
	Total current tax	<u>24,361</u>	<u>7,780</u>
6	Dividends	2012	2011
		£	£
	Ordinary interim paid	<u>200,000</u>	<u>214,875</u>
7	Intangible fixed assets		
			Goodwill
	The Group		£
	Cost		
	At 1 April 2011 & at 31 March 2012		<u>1,993,618</u>
	Amortisation		
	At 1 April 2011		1,084,492
	Charge for the year		<u>398,725</u>
	At 31 March 2012		<u>1,881,941</u>
	Net book value		
	At 31 March 2012		<u>111,677</u>
	At 31 March 2011		<u>510,401</u>

ABBEY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2012**

8 Tangible fixed assets

	Fixtures, fittings & equipment £
The Group	
Cost	
At 1 April 2011	135,975
Additions	87,011
	<hr/>
At 31 March 2012	222,986
	<hr/>
Depreciation	
At 1 April 2011	68,315
Charge for the year	23,761
	<hr/>
At 31 March 2012	92,076
	<hr/>
Net book value	
At 31 March 2012	130,910
	<hr/>
At 31 March 2011	67,660
	<hr/>

9 Fixed asset investments

	Subsidiary undertakings £
The Company	
Cost	
At 1 April 2011 and at 31 March 2012	3
	<hr/>
Net book value	
At 31 March 2012	3
	<hr/>
At 31 March 2011	3
	<hr/>

The company owns the entire issued share capital of the following companies, all of which are incorporated in Great Britain and registered in England and Wales

Company	Business activity
East Street Dental Limited	Dental Practice
Dental Suite Limited	Dental Practice
Abbey Dental Whitechapel Limited	Dormant Company

ABBAY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2012**

10 Stocks	The Group		The Company	
	2012	2011	2012	2011
	£	£	£	£
Finished goods and goods for resale	11,841	11,594	-	-
	<u>11,841</u>	<u>11,594</u>	<u>-</u>	<u>-</u>
11 Debtors	The Group		The Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	99,821	83,938	-	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	-	394,675	620,875
	<u>99,821</u>	<u>83,938</u>	<u>394,675</u>	<u>620,875</u>
12 Creditors amounts falling due within one year	The Group		The Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	226,750	226,750	226,750	226,750
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	-	1	1
Taxation and social security	26,084	12,178	-	-
Other creditors	131,951	192,932	1,764	1,764
	<u>384,785</u>	<u>431,860</u>	<u>228,515</u>	<u>228,515</u>

The bank borrowings are secured by cross guarantees and a debenture given by the company and those of its subsidiary undertaking's, together with a first legal charge over various properties owned personally by the directors together with an assignment over the directors life and pension policies

ABBHEY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2012**

13 Creditors amounts falling due after more than one year

	The Group		The Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	170,472	387,812	170,472	387,812
	<u>170,472</u>	<u>387,812</u>	<u>170,472</u>	<u>387,812</u>
Analysis of Loans				
Not wholly repayable within five years other than by instalments				
Wholly repayable within five years	397,222	614,562	397,222	614,562
Included in current liabilities	(226,750)	(226,750)	(226,750)	(226,750)
	<u>170,472</u>	<u>387,812</u>	<u>170,472</u>	<u>387,812</u>

The bank borrowings are secured by cross guarantees and a debenture given by Abbey Dental Limited and its subsidiaries, a first legal charge over various properties owned personally by the directors together with an assignment over the directors life and pension policies

14 Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

ABBEY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

15 Statement of movements on profit and loss account

	The Group Profit and loss account £	The Company Profit and loss account £
Balance at 1 April 2011	57,343	5,799
Profit for the year	70,357	189,889
Dividends paid	(200,000)	(200,000)
Balance at 31 March 2012	<u>(72,300)</u>	<u>(4,312)</u>

In accordance with Section 408 of the Companies Act 2006, Abbey Dental Limited has not presented its own profit and loss account. Its results for the year dealt within the group's profits for the period was a profit of £189,889 (2011 £371,416)

16 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
The Group		
Profit for the financial year	70,357	27,230
Dividends	(200,000)	(214,875)
Net depletion in shareholders' funds	<u>(129,643)</u>	<u>(187,645)</u>
Opening shareholders' funds	57,443	245,088
Closing shareholders' funds	<u>(72,200)</u>	<u>57,443</u>

17 Contingent liabilities

The company is a member of the group banking arrangement of Abbey Dental Limited group of companies which has given an unlimited cross guarantee on the bank overdraft and loan facilities of the group. The company has also given a debenture over all of its assets as security for the group banking facilities. At the balance sheet date, the amount outstanding in respect of these facilities was £397,221 (2011 £631,122)

ABBEY DENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

18 Financial commitments

At 31 March 2012 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2012	2011
	£	£
Expiry date		
In over five years	72,000	72,000

19 Transactions with directors

During the year, the group paid dividends of £200,000 (2011 £214,875) in total to J Kotecha and E Chand, who are the directors/shareholders of the company

As at 31 March 2012, the group owed £1 (2011 £1) to J Kotecha and E Chand. There are no terms as to interest or repayment of this balance.

Dental Suite Limited paid rent of £36,000 (2010 £36,000) on its premises which is owned personally by J Kotecha and E Chand, who are directors of the companies.

20 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

21 Control

In the opinion of the directors, there is no ultimate controlling party.

22 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

During the year Dental Suite Limited (a wholly owned subsidiary of Abbey Dental Limited) paid Abbey Dental Partnership Wolverton £28,925 (2011 £nil) for use of staff. The companies are related by virtue of common directors.