

Prime Endoscopy (Bristol) Limited

**Directors' report and financial statements
for the year ended 30 September 2014**



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for the year ended 30 September 2014

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Prime Endoscopy (Bristol) Limited
Directors' report and financial statements
for the year ended 30 September 2014

COMPANY INFORMATION

DIRECTORS:

Dr M A H Cohen
Dr J H Entrican
Dr R W Spence
S Sedgwick-Taylor
A S L Cummings
Dr S Fox

SECRETARY:

S L Bricknell

REGISTERED OFFICE:

Beechwood Hall
Kingsmead Road
High Wycombe
Buckinghamshire
HP11 1JL

REGISTERED NUMBER:

06947165 (England and Wales)

AUDITOR:

KPMG LLP
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

BANKERS:

Bank of Scotland
4th Floor
25 Gresham Street
London
EC2V 7HN

Prime Endoscopy (Bristol) Limited
Directors' report and financial statements
for the year ended 30 September 2014

DIRECTORS' REPORT

The Directors present their report and audited financial statements for the Company for the year ended 30 September 2014.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the provision of diagnostic medical procedures, principally endoscopic investigations, to the NHS and other healthcare organisations.

BUSINESS REVIEW

Revenue for the year was £1,408,000 (2013: £1,280,000) generating profit before tax of £150,000 (2013: £172,000).

DIVIDENDS

During the year the Directors recommended the payment of a dividend of £70,000 (2013: £nil). The amount was paid on 23 May 2014.

POLITICAL AND CHARITABLE DONATIONS

The Company made no charitable donations (2013: £nil) and no political donations (2013: £nil).

DIRECTORS

The Directors who held office during the period were as follows:

Dr M A H Cohen

Dr J H Entrican

H J Pearce (resigned 18 October 2013)

Dr R W Spence

P J Horbury (resigned 06 June 2014)

A S L Cummings

S Sedgwick-Taylor (appointed 18 October 2013)

Dr S Fox (appointed 24 June 2014)

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' 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 period. 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). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies 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 responsibilities 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.

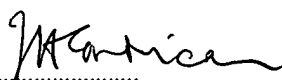
STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

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 they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

INDEPENDENT AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By Order of the Board



Dr J H Entrican - Director

11 February 2015

KPMG LLP
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIME ENDOSCOPY (BRISTOL) LIMITED

We have audited the financial statements of Prime Endoscopy (Bristol) Limited for the period ended 30 September 2014 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 30 September 2014 and of its profit for the period 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.

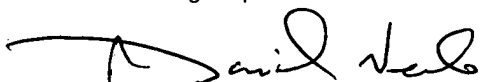
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report


David Neale (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE
Date 11/2/15

Prime Endoscopy (Bristol) Limited
Directors' report and financial statements
for the year ended 30 September 2014

PROFIT AND LOSS ACCOUNT
For the year ended 30 September 2014

	Notes	2014 £000	2013 £000
Revenue	2	1,408	1,280
Cost of sales		(1,015)	(932)
GROSS PROFIT		393	348
Administrative expenses		(243)	(176)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	150	172
Tax on profit on ordinary activities	4	(33)	(32)
PROFIT FOR THE FINANCIAL PERIOD		117	140

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the current period or previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit for the current and previous period.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

Prime Endoscopy (Bristol) Limited
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BALANCE SHEET
At 30 September 2014

		2014		2013	
	Notes	£000	£000	£000	£000
FIXED ASSETS					
Tangible assets	5		35		23
CURRENT ASSETS					
Stock	6	7		8	
Debtors	7	163		192	
Cash at bank		225		96	
		<u>395</u>		<u>296</u>	
CREDITORS: Amounts falling due within one year	8	<u>(237)</u>		<u>(171)</u>	
NET CURRENT ASSETS			<u>158</u>		<u>125</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			193		148
CREDITORS: Amounts falling due after more than one year	9		(16)		(16)
PROVISIONS FOR LIABILITIES	10		-		(2)
NET ASSETS			<u>177</u>		<u>130</u>
CAPITAL AND RESERVES					
Called up share capital	11		-		-
Profit and loss account	12		177		130
SHAREHOLDERS' FUNDS			<u>177</u>		<u>130</u>

These financial statements were approved by the Board of Directors on 11 February 2015 and were signed on its behalf by:



Dr J H Entrican – Director

Company registration number: 06947165

Notes to the Financial Statements

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

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

Under FRS 1 'Cash Flow Statements' the Company is exempt from the requirement to prepare a cash flow statement as the results and cash flows of the Company are included in the consolidated accounts of InHealth UK Holdings Limited, in its own published consolidated financial statements.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Principal Activities and Business Review sections of the Directors' report on page 2.

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future.

The Directors have considered the factors that impact the Company's future development, performance, cash flows and financial position along with the Company's current liquidity in forming their opinion on the going concern basis. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Short term leasehold Improvements	Over term of contract
Plant and machinery	4 – 10 years straight line
Fixtures and fittings	3 – 6 years straight line

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19 Deferred Taxation.

Revenue

Revenue represents the amounts invoiced for the provision of services supplied (excluding value added tax). Revenue is recognised on the provision of services.

Prime Endoscopy (Bristol) Limited
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Notes to the Financial Statements (continued)

2. REVENUE

The Company's revenue is wholly attributable to activities in the UK.

3. NOTES TO THE PROFIT AND LOSS ACCOUNT

The profit on ordinary activities is stated after charging:

	2014	2013
	£000	£000
Depreciation of tangible fixed assets:		
Owned	11	5
Hire of other assets – operating leases	58	79

Auditor's remuneration:

	2014	2013
	£000	£000
Audit of these financial statements	3	3

4. TAXATION

Analysis of charge in period

	2014	2013
	£000	£000
<i>UK Corporation tax</i>		
Current tax on income for the period	35	32
<i>Deferred tax (see note 10)</i>		
Origination and reversal of timing differences	(2)	-
Total tax on profit on ordinary activities	33	32

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2013: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2014	2013
	£000	£000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	150	172
Current tax at 20% (2013: 20%)	30	34
<i>Effects of:</i>		
Adjustments in respect of prior periods	3	-
Depreciation in excess of capital allowances	2	-
Unrelieved tax losses	-	(2)
Tax on profit on ordinary activities	35	32

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Notes to the Financial Statements (continued)

4. TAXATION (continued)

Factors that may affect future, current and total tax charges

The 2013 Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by 2015. Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 30 September 2014 has been calculated based on the rates of 20% and 21% substantively enacted at the balance sheet date.

The elements of unrecognised deferred taxation are as follows:

	2014 £000	2013 £000
Difference between accumulated depreciation and capital allowances	-	2

Deferred tax assets are only recognised to the extent that the Directors consider it more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted. The Company did not recognise the above deferred tax assets in the period due to uncertainty as to the timing of the realisation of the amount. There are no unprovided deferred tax liabilities.

5. TANGIBLE FIXED ASSETS

	Assets in Progress	Short term leasehold improvements £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
COST					
At 1 October 2013	-	1	20	14	35
Additions	6	1	16	-	23
At 30 September 2014	6	2	36	14	58
DEPRECIATION					
At 1 October 2013	-	-	11	1	12
Charge in the year	-	1	8	2	11
At 30 September 2014	-	1	19	3	23
NET BOOK VALUE					
At 30 September 2014	6	1	17	11	35
At 30 September 2013	-	1	9	13	23

6. STOCK

	2014 £000	2013 £000
Consumables	7	8

Prime Endoscopy (Bristol) Limited
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Notes to the Financial Statements (continued)

7. DEBTORS

	2014	2013
	£000	£000
Trade debtors	120	178
Prepayments and accrued income	2	14
Other debtors	41	-
	<u>163</u>	<u>192</u>

8. CREDITORS: amounts falling due within one year

	2014	2013
	£000	£000
Trade creditors	65	31
Corporation tax	33	32
Accruals and deferred income	88	66
Other creditors	51	42
	<u>237</u>	<u>171</u>

9. CREDITORS: amounts falling due after more than one year

	2014	2013
	£000	£000
Directors' Loans	<u>16</u>	<u>16</u>

10. PROVISIONS FOR LIABILITIES

	2014	2013
	£000	£000
Deferred tax:		
Accelerated Capital allowances	<u>-</u>	<u>2</u>

	2014	2013
	£000	£000
1 October	2	2
Credit to the profit and loss account	(2)	-
30 September	<u>-</u>	<u>2</u>

11. CALLED UP SHARE CAPITAL

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

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Notes to the Financial Statements (continued)

12. RESERVES

	Profit and loss account £000
At 1 October 2013	130
Profit for the period	117
Dividends paid	(70)
At 30 September 2014	<u>177</u>

13. COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows

	Land and buildings 2014 £000	Land and buildings 2013 £000
Operating leases which expire:		
Between one and five years	31	31
	<u>31</u>	<u>31</u>

14. RELATED PARTY DISCLOSURES

The Company incurred a central services charge from InHealth Endoscopy Limited, which owns 50% of the shareholding in the Company, of £167,000 (2013: £401,000). The amount due from InHealth Endoscopy Limited at the period end was £25,000 (2013: amount due to InHealth Endoscopy Limited of £11,000).

The Company incurred recharges from InHealth Limited, which owns 100% of the shareholding in InHealth Endoscopy Limited, for £361,000 (2013: £nil). The amount due to InHealth Limited, which owns 100% of the shareholding in InHealth Endoscopy Limited, at the period end was £37,000 (2013: £31,000).

During the period the Company made purchases of £61,000 (2013: £57,000) from Dr J H Entrican, a Director of the Company and designated member of Gastro Prime (Bristol) LLP, which owns 50% of the shareholding in the Company. The amount due to Dr J H Entrican at the period end was £16,000 (2013: £11,000).

During the period the Company made purchases of £32,000 (2013: £39,000) from Dr R W Spence, a Director of the Company and designated member of Gastro Prime (Bristol) LLP, which owns 50% of the shareholding in the Company. The amount due to Dr R W Spence at the period end was £7,000 (2013: £8,000).

During the period the Company made purchases of £66,000 (2013: £68,000) from Dr M A H Cohen, a Director of the Company and designated member of Gastro Prime (Bristol) LLP, which owns 50% of the shareholding in the Company. The amount due to Dr M A H Cohen at the period end was £13,000 (2013: £10,000).

At the end of the period loans from three Directors of the Company, Dr J H Entrican, Dr R W Spence and Dr M A H Cohen, to the Company remained due. The value of the loans is £16,000, with an equal amount due to each of these three Directors.

15. ULTIMATE CONTROLLING PARTY

The Company is a Joint Venture and as such there is no ultimate controlling party.