

The Treatment Centre Limited

Filleted Unaudited Financial Statements
for the Year Ended 30 September 2020

The Treatment Centre Limited
(Registration number: 07781225)

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The Treatment Centre Limited
(Registration number: 07781225)

Company Information

Directors	Dr C E Taylor Dr A Taylor
Registered office	Tinner's Court Back Quay Truro Cornwall TR1 2LL
Accountants	Thompson Jenner LLP 1 Colleton Crescent Exeter Devon EX2 4DG

The Treatment Centre Limited
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Balance Sheet as at 30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>4</u>	164,447	191,855
Tangible assets	<u>5</u>	44,861	52,429
		<u>209,308</u>	<u>244,284</u>
Current assets			
Stocks	<u>6</u>	1,831	1,577
Debtors	<u>7</u>	20,704	19,604
Cash at bank and in hand		34,912	12,708
		57,447	33,889
Creditors: Amounts falling due within one year	<u>8</u>	(89,958)	(154,065)
Net current liabilities		(32,511)	(120,176)
Total assets less current liabilities		176,797	124,108
Creditors: Amounts falling due after more than one year	<u>8</u>	(174,752)	(128,916)
Provisions for liabilities		(6,613)	(7,598)
Net liabilities		<u>(4,568)</u>	<u>(12,406)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(4,668)	(12,506)
Total equity		<u>(4,568)</u>	<u>(12,406)</u>

For the financial year ending 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

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Balance Sheet as at 30 September 2020

Approved and authorised by the Board on 23 June 2021 and signed on its behalf by:

.....

Dr A Taylor
Director

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Tinner's Court

Back Quay

Truro

Cornwall

TR1 2LL

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The directors have considered the impact of COVID-19 and do not consider it to have a material impact on the balances included within the financial statements.

In addition, the Directors do not consider it to cast any significant doubt upon the company's ability to continue to trade as a going concern.

The directors have taken both reactive and proactive measures in order to mitigate any risks associated with COVID-19 including managing cash flow to ensure that debts can be paid when they fall due, managing staffing levels and monitoring key customer and supplier activity.

The directors have implemented a robust system of procedures and controls in order to deal with any associated risks.

Going concern

The financial statements have been prepared on a going concern basis. The directors have asserted their support for the business and in excluding balances owed to the directors the company would be solvent; as such the going concern basis is considered appropriate.

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Government grants

The Coronavirus Job Retention Scheme Grant and the Retail, Hospitality and Leisure Grant have been recognised under the accrual model and are credited to other income over the periods in which the compensated costs have been recognised.

The Business Interruption Payment relating to the Bounce Back Loan has been recognised under the accrual model and is credited to other income over the period to which the compensated costs have been recognised.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Equipment, fixtures and fittings	20% Straight Line
Computer Equipment	33% Straight Line

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

Short Leasehold

Over life of lease

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10 years from the date of transition

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

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Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 12 (2019 - 12).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 October 2019	365,439	365,439
At 30 September 2020	365,439	365,439
Amortisation		
At 1 October 2019	173,584	173,584
Amortisation charge	27,408	27,408
At 30 September 2020	200,992	200,992
Carrying amount		
At 30 September 2020	164,447	164,447
At 30 September 2019	191,855	191,855

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other tangible assets £	Total £
Cost or valuation				
At 1 October 2019	8,858	25,329	130,144	164,331
Additions	-	4,404	472	4,876
At 30 September 2020	8,858	29,733	130,616	169,207
Depreciation				
At 1 October 2019	5,566	24,799	81,537	111,902
Charge for the year	738	1,999	9,707	12,444
At 30 September 2020	6,304	26,798	91,244	124,346
Carrying amount				
At 30 September 2020	2,554	2,935	39,372	44,861
At 30 September 2019	3,292	530	48,607	52,429

Included within the net book value of land and buildings above is £2,554 (2019 - £3,292) in respect of short leasehold land and buildings.

6 Stocks

	2020 £	2019 £
Other stocks	1,831	1,577

7 Debtors

	2020 £	2019 £
Trade debtors	17,099	17,099
Prepayments and accrued income	3,605	2,505
Total current trade and other debtors	20,704	19,604

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

8 Creditors

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>9</u>	30,994	85,720
Trade creditors		9,947	26,294
Taxation and social security		17,048	10,123
Other creditors		10,258	13,558
Accrued expenses		21,711	18,370
		<u>89,958</u>	<u>154,065</u>

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>174,752</u>	<u>128,916</u>

9 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings and overdrafts	16,281	50,887
Hire purchase and Finance lease liabilities	2,713	2,333
Other borrowings	12,000	32,500
	<u>30,994</u>	<u>85,720</u>

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	68,633	28,583
Hire purchase and Finance lease liabilities	3,619	6,333
Other borrowings	102,500	94,000
	<u>174,752</u>	<u>128,916</u>

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Notes to the Unaudited Financial Statements for the Year Ended 30 September 2020

Loans and borrowings are secured by way of a fixed and floating charge over the assets of the company.
Hire purchase liabilities are secured over the assets to which they relate.

Exeter

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