

**BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**COMPANY NUMBER 08044019**



# **BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	Andrew Milner Ian R Galer Thomas C Ross Charlotte M Taylor
<b>Secretary</b>	Charlotte M Taylor
<b>Company Number</b>	08044019
<b>Registered Office</b>	Gamgee House 2 Darnley Road Birmingham B16 8TE
<b>Auditor</b>	BDO LLP Two Snowhill Birmingham B4 6GA

# **BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

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# **BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

## **STRATEGIC REPORT**

**YEAR ENDED 31 DECEMBER 2017**

### **Principal business**

The Company is an intermediate holding company for the BHSF Group's occupational health businesses.

### **Review of business**

The Company made an operating loss of £5k this year (2016: £8k) due to the expenses associated with the audit of the Company's accounts.

During the year, the Company received funds from its parent, BHSF Group Limited of £1,000k (2016: £2,000k), and increased its investments in the subsidiary undertaking BHSF Occupational Health Limited.

### **Risks and uncertainties**

The key risk affecting the business is the performance of subsidiary companies, where worse-than-anticipated results can result in impairments to the Company's assets. This is discussed in more detail in notes 1B and 1C to the financial statements.

The Company's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to interest rate risk. Its policy is to finance any working capital needs through retained earnings and to use Group borrowings and contributions to finance additional acquisitions.

The Company's exposure to the price risk of financial instruments is therefore minimal. As the counterparty to any of its financial instruments is its Parent Company, it is also exposed to minimal credit and liquidity risks in respect of these instruments.

The Directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or profit.

This report was approved by the Board on 18 April 2018 and signed on its behalf by;



**Charlotte M Taylor**  
**Company Secretary**  
**18 April 2018**

# **BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2017**

The Directors submit their report and audited financial statements for the year ended 31 December 2017.

The review of the business, the principal risks and uncertainties, and information of financial risk management and exposure to risk are not shown in the Directors' Report as they are shown in the Strategic Report in accordance with s414C(11) of the Companies Act 2006.

#### **Directors**

The Directors who served during the year were as follows:

Jane E Dale	- resigned 18 May 2017
Ian R Galer	
Peter J Maskell	- resigned 31 August 2017
Dr Andrew Milner	- appointed 19 October 2017
Thomas C Ross	- appointed 13 November 2017
Charlotte M Taylor	

#### **Qualifying third party indemnity provision**

The Company has put in place qualifying third party indemnity provisions for all of the Directors.

#### **Political donations**

The Company made no political donations.

#### **Dividend**

No dividend (2016: £nil) has been paid during the year. No final dividend is proposed.

#### **Statement regarding information given to the auditor**

So far as each of the Directors is aware at the time the report is approved:

- there is no relevant audit information of which the Company's auditor is unaware, and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Board on 18 April 2018 and signed on its behalf by;



**Charlotte M Taylor**  
**Company Secretary**  
**18 April 2018**

## **BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **YEAR ENDED 31 DECEMBER 2017**

The Directors are responsible for preparing the Strategic Report, 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 of the surplus or deficit 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 accounting 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;
- 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

**Opinion**

We have audited the financial statements of BHSF Corporate Healthcare (Holdings) Limited ("the Company") for the year ended 31 December 2017, which comprise the Statement of Total Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED (CONTINUED)**

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's report.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

**BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED (CONTINUED)**

basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read 'Stephen Hale', with a horizontal line drawn underneath it.

**Stephen Hale (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Birmingham, United Kingdom**

**Date:** ..... *10 May* ..... **2018**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**  
**STATEMENT OF TOTAL COMPREHENSIVE INCOME**  
**YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £'000	2016 £'000
Administration expenses		(5)	(8)
<b>OPERATING LOSS</b>		<b>(5)</b>	<b>(8)</b>
Amounts written off investments	4	-	(2,825)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>2</b>	<b>(5)</b>	<b>(2,833)</b>
Taxation credit	3	1	-
<b>LOSS FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME</b>		<b>(4)</b>	<b>(2,833)</b>

All activities relate to continued activities.

The notes on pages 10 - 14 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
<b>FIXED ASSETS</b>			
Investment in subsidiary undertakings	4	2,268	1,268
<b>CURRENT ASSETS</b>			
Debtors	5	171	171
Cash at bank and in hand		33	41
		<u>204</u>	<u>212</u>
<b>CREDITORS:</b> Amounts falling due within one year	6	<u>(6)</u>	<u>(10)</u>
<b>NET CURRENT ASSETS</b>		198	202
<b>NET ASSETS</b>		<u>2,466</u>	<u>1,470</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	-	-
Profit and loss account		2,466	1,470
<b>SHAREHOLDERS' FUNDS</b>		<u>2,466</u>	<u>1,470</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 18 April 2018.



**Ian R Galer**  
Director

The notes on pages 10 - 14 form part of these financial statements.

**BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED****STATEMENT OF CHANGES IN EQUITY****31 DECEMBER 2017**

	<b>Called up Share Capital</b>	<b>Profit and Loss Account</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance at 1 January 2016</b>	-	2,303	2,303
<b>Changes in equity for the year ending 31 December 2016</b>			
Loss for the year and total comprehensive income	-	(2,833)	(2,833)
Capital contributions	-	2,000	2,000
<b>Balance at 31 December 2016</b>	-	1,470	1,470
<b>Changes in equity for the year ending 31 December 2017</b>			
Loss for the year and total comprehensive income	-	(4)	(4)
Capital contributions	-	1,000	1,000
<b>Balance at 31 December 2017</b>	-	2,466	2,466

The notes on pages 10 - 14 form part of these financial statements.

# **BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31 DECEMBER 2017**

#### **1. BASIS OF PREPARATION**

The financial statements have been prepared in accordance with FRS 102 The Financial Reporting Standard Applicable in the UK and Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

In preparing the separate financial statements of the Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the Company;
- Disclosures in respect of the Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole in the consolidated Group financial statements of BHSF Group Limited; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the Company as their remuneration is included in the totals for the Group as a whole in the consolidated Group financial statements of BHSF Group Limited.

#### **1A. ACCOUNTING POLICIES**

The following key accounting policies are applied in the preparation of the accounts.

##### **a) Impairment of assets**

Investment assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit – CGU – to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### **b) Current and deferred tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except for those changes attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity, which are also recognised in other comprehensive income or directly in equity respectively.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

## **BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2017**

- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, where deferred tax is recognised on the differences between the fair value of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

#### **c) Investments**

Investments in subsidiary undertakings are included at cost less provision for any permanent impairment in value.

#### **d) Financial instruments**

The Company holds cash and debtor assets and long and short-term creditor liabilities which are classed as financial assets and liabilities. Cash balances are recorded at the statement of financial position date at their face value. Debtors and creditors are measured at their amortised cost value using the effective interest rate where durations are longer than one year. Where duration is shorter than one year, which is the case for all debtors and all creditors currently held on the statement of financial position, financial assets and liabilities are measured at their cash settlement value.

#### **e) Reserves**

The reserves at year-end comprise retained earnings and are used to finance working capital.

#### **f) Capital contributions**

Irrevocable amounts received from the parent company are classed as capital contributions and constitute a change in equity.

### **1B. CRITICAL JUDGEMENTS IN THE APPLICATION OF ACCOUNTING POLICIES**

The following critical judgements have been made during the course of preparing the accounts:

#### **a) Indicators of impairment in assets**

The Directors exercise significant judgement in assessing whether there are indications of impairment in assets, and in particular in those assets that represent investments in subsidiaries. Factors taken into account when determining whether or not to impair assets include the economic viability and expected future financial performance of the asset, and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

### **1C. KEY SOURCES OF ESTIMATION UNCERTAINTY**

The following significant estimates have been made during the course of preparing the accounts.

#### **a) Investments in subsidiaries (see note 4)**

Investments in subsidiaries are measured at cost less accumulated impairment.

Goodwill balances represent the excess of net asset value paid for the acquisition of subsidiary companies. Goodwill is measured at cost less accumulated amortisation and accumulated impairment. In both cases, impairment is judged on the basis of present value of future cash flows expected to flow from the acquired business, based on approved budgets and forecasts. Differences between the forecasts used to arrive at the net present value and actual outturn could result in significant changes to the carrying value of investment or goodwill balances over the next 12 months. The forecasts include assumed growth in revenue over the next five years, in line with the company's strategic aims. These

# BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### YEAR ENDED 31 DECEMBER 2017

revenue forecasts, as well as the discount rate applied and forecasts of expenditure are key assumptions underlying the valuations.

### 2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2017 £'000	2016 £'000
The loss on ordinary activities before taxation is arrived at after charging the following:		
Auditor's fees:		
- Fees payable in respect of the audit of the Company's accounts	4	3
	<u>4</u>	<u>3</u>

The Company has not disclosed amounts for non-audit remuneration as it is included in the consolidated accounts of the Parent Company.

The Company has no employees.

The remuneration and pension contributions of Directors were borne by other group companies. It is not possible to apportion the share of their remuneration and pension costs attributable to this Company.

### 3 TAXATION

	2017 £'000	2016 £'000
(a) <b>Analysis of credit in period</b>		
Current tax credit	<u>(1)</u>	<u>-</u>
(b) <b>Factors affecting the tax credit for the period:</b>		
The tax assessed for the year is the same as would be expected (2016: more than expected) by multiplying the deficit on ordinary activities by the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below:		
	2017 £'000	2016 £'000
Loss on ordinary activities before tax	<u>(5)</u>	<u>(2,833)</u>
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax at 19.25% (2016: 20%)	(1)	(567)
Effects of:		
Impairment charge not subject to corporation tax	-	566
Group relief surrendered	-	1
Total tax credit	<u>(1)</u>	<u>-</u>

**BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2017****(c) Factors that may affect future tax charges**

The main rate of corporation tax in force at the statement of financial position date was 19%. The main rate of UK corporation tax will further fall to 17% from 1 April 2020.

**4 INVESTMENT IN SUBSIDIARY UNDERTAKINGS**

At 31 December 2017, the Company directly owned 100% of the share capital of BHSF Occupational Health Limited. The Company also indirectly owned (through ownership of BHSF Occupational Health Limited), 100% of the share capital of BHSF Newhall Medical Practice Limited, 100% of the share capital of Nexus Healthcare Limited, 100% of the share capital of Occupational Health Consultants Limited (a company which was dissolved in January 2017), 100% of the share capital of WellWork Limited (a company which was dissolved on 24 February 2018), and 100% of the share capital of M3OH Services Limited (a company was dissolved on 24 February 2018), all of which were providers of occupational health services and are/were incorporated in England and Wales.

	<b>2017</b>
	<b>£'000</b>
<b>Cost</b>	
At 1 January 2017	5,803
Additions	1,000
At 31 December 2017	<u>6,803</u>
<b>Impairment</b>	
At 1 January 2017	4,535
Charge for the year	-
At 31 December 2017	<u>4,535</u>
<b>Net book value</b>	
At 31 December 2017	<u>2,268</u>
At 1 January 2017	<u>1,268</u>

**5 DEBTORS**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due from group undertakings	170	170
Corporation tax debtor	1	-
Sundry debtors	-	1
	<u>171</u>	<u>171</u>



**BHSF CORPORATE HEALTHCARE (HOLDINGS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2017**

**6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Other creditors	<b>6</b>	<b>10</b>
	<hr/> <b>6</b>	<hr/> <b>10</b>

**7 CONTROLLING PARTY AND PARENT UNDERTAKINGS**

In the opinion of the Directors, BHSF Group Limited is the Company's Parent and ultimate Parent Company and controlling party. The parent undertaking of the largest and smallest groups for which consolidated accounts are prepared is BHSF Group Limited. Consolidated accounts are available from Companies House, Cardiff CF4 3UZ.

**8 LEGAL FORM**

BHSF Corporate Healthcare (Holdings) Limited is a company limited by shares incorporated in England and Wales with company registration number 08044019. BHSF Corporate Healthcare (Holdings) Limited's registered office is Gamgee House, 2 Darnley Road, Birmingham, B16 8TE.

**9 SHARE CAPITAL**

The Company's share capital comprises 100 allotted, called-up and fully paid ordinary £1 shares.

**10 RELATED PARTY TRANSACTIONS**

The Company has had no related party transactions other than those with other group members.