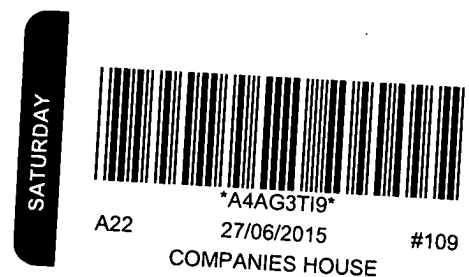


**CONCORDIA HEALTH HOLDINGS LLP**

**MEMBERS REPORT AND CONSOLIDATED  
FINANCIAL STATEMENTS**

**REGISTERED NUMBER – OC383449**

**FOR THE YEAR ENDED 30 SEPTEMBER 2014**



**Hobsons CA Limited**  
Chartered Accountants  
Statutory Auditor  
Alexandra House  
43 Alexandra Street  
Nottingham  
NG5 1AY

## CONCORDIA HEALTH HOLDINGS LLP

Designated members	Mr A Hurd Mr T Hurd
Registered Office	Alexandra House 43 Alexandra Street Nottingham NG5 1AY
Bankers	Lloyds TSB Market Square House Old Market Square Nottingham NG1 6FD
Auditor	Hobsons CA Limited Chartered Accountants and Statutory Auditor Alexandra House 43 Alexandra Street Nottingham NG5 1AY
Registered Number	OC383449

**CONCORDIA HEALTH HOLDINGS LLP**  
**STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**Business review and future plans**

The LLP group arose from a reconstruction of the Concordia Health businesses.

The Board are satisfied that the new businesses within the LLP performed robustly, both in terms of financial and clinical results, during a period of expansion and investment in their services. The return on this initial investment is likely to be seen in 2014/2015 and to a larger extent in 2015/2016.

The Board are pleased to report that significant progress has been made since 30 September 2013 in these subsidiaries resulting in a substantial number of new contracts and locations providing these services.

**Analysis of key performance indicators**

The Board looks at turnover, margins and profitability when monitoring business performance.

The Board confirms that the companies within the LLP group have been successful in winning new contracts, particularly in the subsidiaries of Concordia Health Group Ltd, and this has led to the increase in turnover reported in the year.

Concordia Health Group Ltd and its respective subsidiaries are now well placed to respond to new contract opportunities and the Board are actively seeking and pursuing these when they arise.

**Key business risks and uncertainties**

The Board actively manage risks relating to the group's involvement in NHS primary care contracts by closely monitoring and developing operations to enable greater time to be spent on launching additional services, such as enhanced services and extended services, in each practice.

In the specialist care sector, risks include patient 'no-shows' impacting on the profitability of clinics being run, and the Board are proactive in managing this through the appointment booking process. There are also risks in relation to the logistics of running clinics at geographically diverse locations, and the Directors use their experience in the sector to maximise efficiencies in planning and timetabling.

This report was approved by the members on 22 June 2015 and signed on its behalf by



**Mr A Hurd**  
**Designated member**

## **CONCORDIA HEALTH HOLDINGS LLP**

### **MEMBERS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2014**

The members present their report together with the financial statements of the Limited Liability Partnership and its subsidiaries for the year ended 30 September 2014.

#### **Incorporation**

The Limited Liability Partnership was incorporated on 18 March 2013 as part of a group reorganisation of the Concordia Health businesses.

#### **Principal activities**

The principal activity of the Limited Liability Partnership is to act as an investment holding entity. The investments are in subsidiary undertakings whose principal activities range from the management and operation of a portfolio of medical practices (primary care) to providing secondary care services and related consultancy, mainly within the fields of ultrasound, cardiology, ear, nose and throat ('ENT'), audiology, dermatology and dentistry.

#### **Group results**

The group's trading results for the year are set out in the group profit and loss account on page 6.

#### **Designated members**

The designated members during the year were as follows:

Mr A Hurd  
Mr T Hurd

#### **Statement of members' responsibilities**

The members are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members 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 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 limited liability partnership and the group and of the profit or loss of the limited liability partnership and the group for that year. In preparing these financial statements, the members 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the limited liability partnership and the group will continue in business.

## CONCORDIA HEALTH HOLDINGS LLP

### MEMBERS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2014 (CONTINUED)

#### Statement of members' responsibilities (continued)

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Transactions with members

The members participate fully in the partnership's profit, share the risks and subscribe to the partnership's capital. Profits are allocated to members in the proportions set out in the Partnership Agreement, which are directly linked to the members' share of the partnership's capital.

No member is entitled to receive interest on the amount of his proportion of the capital contributions to the partnership unless otherwise agreed between the member and the management board.

#### Statement as to disclosure of information to auditors

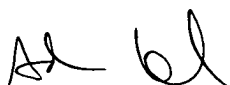
In so far as the members are aware:

- there is no relevant audit information (information needed by the limited liability partnership's auditors in connection with preparing their report) of which the limited liability partnership's auditors are unaware, and
- the members have taken all of the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the limited liability partnership's auditors are aware of that information.

#### Strategic Report

The members have prepared a review of the business, together with a summary of the principal risks and uncertainties affecting the group, and these are detailed within the Strategic Report on page 1.

This report was approved by the Board on 22 June 2015 and signed on its behalf by



**Mr A Hurd**  
**Designated member**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONCORDIA HEALTH HOLDINGS LLP**

We have audited the group and partnership financial statements of Concordia Health Holdings LLP for the year ended 30 September 2014 which comprise the group profit and loss account, the group and limited liability partnership balance sheets, the group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditor**

As explained more fully in the Statement of Members' Responsibilities set out on pages 2 - 3, the members 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**

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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report, the Members' report and the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's and group's affairs as at 30 September 2014 and of the group's result and cash flow 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 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CONCORDIA HEALTH HOLDINGS LLP (CONTINUED)**

**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 as applied to limited liability partnership's 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
- we have not received all the information and explanations we require for our audit.

**Martin Berry BA FCA (Senior Statutory Auditor)  
For and on behalf of Hobsons CA Limited  
Chartered Accountants and  
Statutory Auditor  
Alexandra House  
43 Alexandra Street  
Nottingham  
NG5 1AY**

**24 June 2015**

**CONCORDIA HEALTH HOLDINGS LLP**

**GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Note	2014	2013
		£	£
<b>Turnover - continuing operations</b>	2	10,075,820	8,560,054
Cost of sales		(7,025,602)	(6,164,834)
<b>Gross profit</b>		3,050,218	2,395,220
Premises costs		(912,777)	(1,294,446)
Administrative expenses		(2,513,016)	(2,189,255)
Exceptional administrative income	3	-	25,000
Exceptional administrative expenses	3	-	(55,708)
Other operating income		724,010	1,011,156
<b>Operating profit/(loss) - continuing operations</b>	3	348,435	(108,033)
Exceptional termination costs	3	(191,548)	-
Investment income – listed investments		-	5,173
Interest receivable	4	20	2
Interest payable	5	(8,828)	(6,937)
<b>Profit/(loss) on ordinary activities before taxation</b>		148,079	(109,795)
Tax on profit/(loss) on ordinary activities	6	(57,191)	(82,531)
<b>Profit/(loss) on ordinary activities after taxation</b>		90,888	(192,326)
Attributable to minority interests	21	(16,592)	(3,240)
<b>Profit/(loss) for the financial year before members' remuneration and profit shares</b>		74,296	(195,566)
Members' remuneration charged as an expense		-	-
<b>Profit/(loss) for the year available for discretionary division</b>		74,296	(195,566)
Discretionary distributions to LLP members		(224,849)	-
<b>Retained loss for the year</b>		(150,553)	(195,566)

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account, and therefore no separate statement of recognised gains and losses has been prepared.

The notes on pages 10 to 22 form part of these financial statements.



**CONCORDIA HEALTH HOLDINGS LLP**  
**GROUP BALANCE SHEET AS AT 30 SEPTEMBER 2014**

	Note	2014		2013	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		258,965		328,928
Investments	11		250,000		250,000
			<u>508,965</u>		<u>578,928</u>
<b>Current assets</b>					
Stocks	12	59,058		54,066	
Debtors	13	1,662,328		1,553,873	
Cash at bank and in hand		442,138		477,302	
		<u>2,163,524</u>		<u>2,085,241</u>	
<b>Creditors</b>					
Amounts falling due within one year	14	(1,747,794)		(1,723,621)	
<b>Net current assets</b>			<u>415,730</u>		<u>361,620</u>
<b>Total assets less current liabilities</b>			<u>924,695</u>		<u>940,548</u>
<b>Creditors</b>					
Amounts falling due after one year	15		(239,228)		(305,182)
<b>Provision for liabilities</b>	18		(211,852)		(27,790)
<b>Net assets</b>			<u><u>473,615</u></u>		<u><u>607,576</u></u>
 Members' capital – due over one year	20		1,082		1,082
Other reserves	20		278,883		429,536
<b>Total members' interests</b>	20		<u>279,965</u>		<u>430,618</u>
Minority interests	21		193,650		176,958
<b>Total</b>			<u><u>473,615</u></u>		<u><u>607,576</u></u>

The financial statements were approved and authorised for issue by the Members on 22 June 2015 and were signed on their behalf by:



**Mr A Hurd**  
**Designated member**

**Registration number - OC383449**

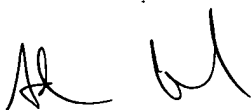
The notes on pages 10 to 22 form part of these financial statements.

**CONCORDIA HEALTH HOLDINGS LLP**

**LIMITED LIABILITY PARTNERSHIP BALANCE SHEET AS AT 30 SEPTEMBER 2014**

	Note	2014		2013	
		£	£	£	£
<b>Fixed assets</b>					
Investments	11		1,082		1,082
<b>Current assets</b>					
Debtors	13	1,082		1,082	
		<u>1,082</u>		<u>1,082</u>	
<b>Creditors</b>					
Amounts falling due within one year	14	(1,082)		(1,082)	
<b>Net current assets</b>			-		-
<b>Total assets less current liabilities</b>			<u>1,082</u>		<u>1,082</u>
<b>Net assets attributable to members</b>			<u>1,082</u>		<u>1,082</u>
<b>Represented by:</b>					
Members' capital – due over one year	20		1,082		1,082
<b>Total members' interests</b>			<u>1,082</u>		<u>1,082</u>

The financial statements were approved and authorised for issue by the Members on 22 June 2015 and were signed on their behalf by:



**Mr A Hurd**  
**Designated member**

**Registration number - OC383449**

The notes on pages 10 to 22 form part of these financial statements.

**CONCORDIA HEALTH HOLDINGS LLP**

**GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	<b>Note</b>	<b>2014 £</b>	<b>2013 £</b>
Net cash inflow/(outflow) from operating activities	25	258,924	(195,122)
Returns on investments and servicing of finance	26	(8,808)	(1,762)
Taxation		(64,584)	(54,805)
Capital expenditure and financial investment	27	(62,551)	55,415
Distributions paid to members		(97,576)	-
<b>Cash inflow/(outflow) before financing</b>		<b>25,405</b>	<b>(196,274)</b>
Financing	28	(60,569)	210,422
<b>(Decrease)/increase in cash</b>		<b>(35,164)</b>	<b>14,148</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

		<b>2014 £</b>	<b>2013 £</b>
(Decrease)/increase in cash in the year		(35,164)	14,148
Cash outflow/(inflow) from movement in funds and lease financing		60,569	(210,422)
Movement in net funds in the year	29	25,405	(196,274)
Net funds at 1 October 2013		211,365	407,639
Net funds at 30 September 2014	29	236,770	211,365

## CONCORDIA HEALTH HOLDINGS LLP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

#### 1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and have also been consistently applied within the same accounts.

##### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, and applicable accounting standards in the United Kingdom. In addition, the financial statements have been prepared in accordance with the Statement of Recommended Practice, 'Accounting by Limited Liability Partnerships (SORP)'.

##### Basis of consolidation

The consolidated financial statements include the financial statements of the limited liability partnership and its subsidiary undertakings made up to 30 September 2014 to the extent of the group's interest in those undertakings and after eliminating intra-group transactions.

The limited liability partnership was incorporated on 18 March 2013 as part of a group reconstruction of the Concordia Health businesses. In accordance with paragraph 13 of FRS 6 'Acquisitions and Mergers' the group reconstruction was accounted for using merger accounting principles.

Merger accounting requires that the group profit and loss account report the results of the group as if the Concordia Health Holdings LLP group had always existed in its current form. This means that a full year's trading is reported for both the current and comparative period, regardless of the date of incorporation of the limited liability partnership.

In the limited liability partnership's financial statements investments in subsidiary undertakings are stated at cost less provision for permanent diminution in value.

A separate profit and loss account for the limited liability partnership has not been presented in accordance with Section 408 of the Companies Act 2006. The result of the parent limited liability partnership dealt with in these financial statements is disclosed in note 7.

##### Turnover

Turnover is the total amount receivable by the group in the ordinary course of business for the services provided excluding value added tax. In the case of primary care contracts, turnover represents the value of income from NHS PMS and APMS contracts, enhanced services and other medical related NHS and non-NHS income. In the case of secondary care contracts, turnover represents contract income for the services provided.

##### Depreciation

Depreciation is calculated to write down the cost of all fixed assets to their estimated residual values by equal annual instalments over their expected useful lives commencing from the date that the assets are first brought into use. The periods generally applicable are:

Leasehold property improvements	Straight line over the life of the lease
Fixtures, fittings and equipment	25% - 33.3% reducing balance
Computer equipment and website	25% - 33.3% straight line
Surgery improvements	20% straight line

## CONCORDIA HEALTH HOLDINGS LLP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

#### 1. Accounting policies (continued)

##### Leasing

The group has entered into certain property leases that are categorised as operating leases. The annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

##### Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

##### Deferred tax

Deferred tax 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 a right to pay less or to receive more, tax.

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 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 the tax rates and laws enacted or substantively enacted at the balance sheet date.

##### Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year is the NHS Pension Scheme, a multi-employer pension 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, under Financial Reporting Standard 17 'Retirement Benefits' the scheme is accounted for as if it were a defined contribution scheme.

##### Going concern

The financial statements have been prepared on the going concern basis. The members are satisfied that this is appropriate having looked at the trading performance of the limited liability partnership's subsidiaries both during the financial year and since the balance sheet date. In addition, the members have reviewed budgets and forecasts for the foreseeable future, defined as being no less than one year from the date of approving the financial statements. They conclude that sufficient cash flow can be made available from the trading companies to pay debts of the group as they fall due. In addition, those members, who are also directors of the subsidiary undertakings, with outstanding directors loan accounts due to them from certain subsidiaries have confirmed that they will not call these in for the foreseeable future, if to do so would cause the group undue financial hardship.

#### 2. Turnover

The turnover of the group for the year has been derived from its principal activity wholly undertaken in the UK.

**CONCORDIA HEALTH HOLDINGS LLP**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**3. Operating profit/(loss)**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit/(loss) is stated after charging:		
Depreciation on owned assets	132,514	108,115
Loss on disposal of tangible assets	-	2,913
Auditor's remuneration	26,200	26,200
Exceptional items		
- Exceptional contract termination costs	-	55,708
- Exceptional closure costs	191,548	-
and after crediting:		
Release of NHS grant deferred income	5,385	1,795
Government grants	3,000	-
Exceptional items		
- Exceptional loan write back	-	25,000
	<u>          </u>	<u>          </u>

Included within auditor's remuneration for audit work above is £24,200 (2013 - £24,200) relating to the audit of the subsidiary undertakings.

**Exceptional items**

**Exceptional administrative expenses - contract termination costs**

During the previous year a subsidiary undertaking terminated an agreement with a business partner, who they had worked with to service certain contracts. As part of the settlement, the company paid the exiting business partner termination costs as detailed above. These costs are considered to be allowable for corporation tax.

**Exceptional administrative expenses - closure costs**

During the year the Board of a trading subsidiary made a formal decision to exit from certain NHS practices operated by that company, and these closures took place after the balance sheet date. The directors provided for the closure costs, representing mostly redundancy costs, which were incurred in each case. The costs are considered to be allowable for corporation tax.

**Exceptional administrative income – loan write back**

During the previous year a subsidiary wrote back a loan due to an exiting shareholder, as this was no longer payable. The write back formed part of the settlement agreement with that party. The loan write back was considered to be chargeable to corporation tax.

**4. Interest receivable**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank interest	2	2
Other interest	18	-
	<u>          </u>	<u>          </u>
	20	2
	<u>          </u>	<u>          </u>

**CONCORDIA HEALTH HOLDINGS LLP**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**5. Interest payable**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
On bank loans	8,828	6,937
	<hr/>	<hr/>
	8,828	6,937
	<hr/>	<hr/>

**6. Tax on profit/(loss) on ordinary activities**

The taxation charge relates to the subsidiary companies based on their results for the year, and is made up as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Corporation tax	72,051	73,148
Adjustments in respect of previous years	(4,387)	(202)
	<hr/>	<hr/>
	67,664	72,946
Deferred tax		
Timing differences, origination and reversal	(10,473)	9,585
	<hr/>	<hr/>
	57,191	82,531
	<hr/>	<hr/>

**Factors affecting corporation tax charge for period**

The current tax charge is higher than (2013 – higher than) the average rate of corporation tax in the UK of 22% (2013 – 23.5%). The differences are explained below:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Profit/(loss) on ordinary activities before tax	148,079	(109,795)
	<hr/>	<hr/>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2013 – 23.5%)	32,577	(25,802)
Effects of:		
Expenses not deductible for tax purposes and other tax adjustments	(10,198)	10,214
Depreciation in excess of capital allowances	12,558	(15,140)
Taxable investment income	-	1,210
Utilisation of tax losses	(89,270)	(3,144)
Impact of tax rate differences in subsidiaries	-	(500)
Impact of unutilised tax losses in subsidiaries	126,384	106,310
Adjustment in respect of previous period	(4,387)	(202)
	<hr/>	<hr/>
	67,664	72,946
	<hr/>	<hr/>

**Factors that may affect future tax charges**

At the year end various subsidiary undertakings had tax losses available for use against future taxable profits amounting in total to £1,005,738 (2013 – £573,072).

# CONCORDIA HEALTH HOLDINGS LLP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 7. Result of the parent undertaking

As permitted by Section 408 of the Companies Act 2006 no profit and loss account is presented for Concordia Health Holdings LLP.

The result for the financial year of the parent undertaking is £nil (2013 - £nil).

### 8. Employees

	2014 £	2013 £
Employment costs:		
Wages and salaries	4,773,908	4,103,007
Social security costs	158,259	121,405
Other pension costs	332,090	372,215
	<hr/>	<hr/>
	5,264,257	4,596,627
	<hr/>	<hr/>

The average number of persons employed during the year (including members where they are employed by a subsidiary undertaking) was as follows:

	2014 Number	2013 Number
Head Office and administration	48	18
Practice and clinical staff	115	115
	<hr/>	<hr/>
	163	133
	<hr/>	<hr/>

### 9. Members' remuneration

In accordance with the members agreement profits and losses are not automatically shared amongst the members as allocations are made at the discretion of the Management Board.

	2014 £	2013 £
Members remuneration charged as an expense	-	-
Profit/(loss) for the year available for discretionary division	74,296	(195,566)
	<hr/>	<hr/>
Group profit/(loss) for the year	74,296	(195,566)
	<hr/>	<hr/>

The average number of members in the year was 4 (2013 – 4).

The average entitlement to the profit/(loss) for the year is £18,574 profit (2013 - £48,892 loss), being the profit/(loss) for the year available to members divided by the number of members.

The estimated share of the member with the largest entitlement to division of the profit/(loss) for the year is £20,777 profit (2013 - £54,691 loss).



CONCORDIA HEALTH HOLDINGS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

10. Tangible fixed assets

Group

	Short leasehold improvements £	Computer equipment and website £	Fixtures, fittings and equipment £	Surgery improvements £	Total £
<u>Cost</u>					
At 1 October 2013	50,784	94,346	336,375	121,966	603,471
Additions	-	-	62,551	-	62,551
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2014	50,784	94,346	398,926	121,966	666,022
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>					
At 1 October 2013	16,921	44,772	144,489	68,361	274,543
Provided in year	16,921	21,764	81,980	11,849	132,514
Eliminated on disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2014	33,842	66,536	226,469	80,210	407,057
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value at 30 September 2014	16,942	27,810	172,457	41,756	258,965
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value at 30 September 2013	33,863	49,574	191,886	53,605	328,928
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The limited liability partnership owns no tangible fixed assets.

CONCORDIA HEALTH HOLDINGS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

11. Fixed asset investments

<u>Group</u>	<b>Listed investments</b>
<u>At cost</u>	<b>£</b>
At 1 October 2013	250,000
Disposals	-
	<hr/>
At 30 September 2014	250,000
	<hr/>

The market value of listed investments at 30 September 2014 was £258,125 (2013 - £257,168).

<u>Limited liability partnership</u>	<b>Shares in subsidiary undertakings</b>
<u>At cost</u>	<b>£</b>
At 1 October 2013 and at 30 September 2014	1,082
	<hr/>

12. Stock and work in progress

	<b>Group</b>		<b>Limited liability partnership</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Raw materials and consumables	59,058	54,066	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	59,058	54,066	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

13. Debtors

	<b>Group</b>		<b>Limited liability partnership</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	1,275,642	1,252,551	-	-
Amounts owed by connected companies	490	490	-	-
Other debtors	296,752	59,530	1,082	1,082
Prepayments	85,673	240,518	-	-
Deferred tax (note 19)	3,771	784	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,662,328	1,553,873	1,082	1,082
	<hr/>	<hr/>	<hr/>	<hr/>

**CONCORDIA HEALTH HOLDINGS LLP**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**13. Debtors (continued)**

Amounts falling due after more than one year and included in debtors are:

	<b>Group</b>		<b>Limited liability partnership</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other debtors	56,404	2,948	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	56,404	2,948	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

**14. Creditors**

	<b>Group</b>		<b>Limited liability partnership</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Amounts falling due within one year:</u>				
Bank loans	60,500	60,500	-	-
Trade creditors	1,115,536	954,633	-	-
Other creditors	53,216	59,244	1,082	1,082
Corporation tax	125,301	66,114	-	-
Other taxation and social security	136,167	131,125	-	-
Accruals and deferred income	55,466	265,042	-	-
Directors of subsidiaries loan accounts	42,679	56,720	-	-
Pension contributions	31,656	130,243	-	-
Distributions to members payable	127,273	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,747,794	1,723,621	1,082	1,082
	<hr/>	<hr/>	<hr/>	<hr/>

**15. Creditors**

	<b>Group</b>		<b>Limited liability partnership</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Amounts falling due after one year:</u>				
Bank loans	144,868	205,437	-	-
Deferred income	14,360	19,745	-	-
Directors of subsidiaries loan accounts	80,000	80,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	239,228	305,182	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

**CONCORDIA HEALTH HOLDINGS LLP**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**16. Borrowings - Group**

**Year ended 30 September 2014**

Repayments fall due	Under one year £	1 - 5 years £	Total £
Bank loans	60,500	144,868	205,368
	<u>60,500</u>	<u>144,868</u>	<u>205,368</u>

**Year ended 30 September 2013**

Repayments fall due	Under one year £	1 - 5 years £	Total £
Bank loans	60,500	205,437	265,937
	<u>60,500</u>	<u>205,437</u>	<u>265,937</u>

**17. Security**

The bank holds as security unlimited debentures incorporating a fixed and floating charge over assets of the subsidiary companies, together with guarantees from certain directors of the subsidiaries and other group companies. In addition, S O Fradd, a director of certain subsidiary companies, has provided a personal guarantee against the bank loan held by one subsidiary.

**18. Provision for liabilities**

	Deferred tax (note 19) £	Other provisions £	Total £
Provision at 1 October 2013	27,790	-	27,790
Charge for the year	-	191,548	191,548
Deferred tax movements in the year	(7,486)	-	(7,486)
	<u>20,304</u>	<u>191,548</u>	<u>211,852</u>

**19. Deferred taxation**

The amount provided for deferred taxation is as follows:

	<b>Group</b>		<b>Limited liability partnership</b>	
	<b>2014 £</b>	<b>2013 £</b>	<b>2014 £</b>	<b>2013 £</b>
Accumulated excess of capital allowances over corresponding depreciation	16,533	27,006	-	-
	<u>16,533</u>	<u>27,006</u>	<u>-</u>	<u>-</u>

# **CONCORDIA HEALTH HOLDINGS LLP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

### **19. Deferred taxation (continued)**

	<b>Group</b>	<b>LLP</b>
	<b>£</b>	<b>£</b>
Net provision at 1 October 2013	27,006	-
Deferred tax credit in profit and loss account	(10,473)	-
	<hr/>	<hr/>
Net provision at 30 September 2014	16,533	-
	<hr/>	<hr/>

Deferred tax assets and liabilities have been grossed up such that there is a deferred tax provision of £20,304 (2013 - £27,790) and a separate deferred tax asset of £3,771 (2013 - £784).

### **20. Members' interests - group**

	<b>Members capital</b>	<b>Other Total members reserves interests</b>	<b>Total members interests 2014</b>	<b>Total members interests 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Members interest at 1 October 2013	1,082	-	1,082	1,082
Member's share of group profits brought forward	-	429,536	429,536	676,002
Profit/(loss) for the year attributable to members	-	74,296	74,296	(195,566)
Share of net liabilities of subsidiary transferred from a Minority interest pre-merger	-	-	-	(50,900)
Distributions to LLP members	-	(224,849)	(224,849)	-
Transfer to minority interests	-	(100)	(100)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2014	1,082	278,883	279,965	430,618
	<hr/>	<hr/>	<hr/>	<hr/>

### **21. Reconciliation of movements in minority interests**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Share of profit for the financial year	16,592	3,240
Share of net liabilities of subsidiary transferred from Minority interest to the group pre-merger	-	50,900
Shares relinquished as part of transfer above	-	(500)
Change in minority interest due to bonus issue of shares in a subsidiary	100	-
	<hr/>	<hr/>
Net addition to minority interests	16,692	53,640
Opening minority interests	176,958	123,318
	<hr/>	<hr/>
Closing minority interests	193,650	176,958
	<hr/>	<hr/>

### **22. Pension commitments**

The group contributes to the NHS pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the group and amounted to £332,090 (2013 - £372,215). The balance of pension contributions outstanding at 30 September 2014 was £31,656 (2013 - £130,243).

**CONCORDIA HEALTH HOLDINGS LLP**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**23. Subsidiary undertakings**

<b>Company</b>	<b>Country of registration</b>	<b>Shares held</b>	<b>Principal activity</b>
Concordia Health Ltd	England and Wales	Ordinary 85%	Medical services – Primary care
Concordia Health Group Ltd	England and Wales	Ordinary 100%	Group services
Concordia Ambulatory Care Services Ltd	England and Wales	Ordinary 100%	Medical services – ultrasound/cardiology
Concordia Specialist Care Services Ltd	England and Wales	Ordinary 90%	Medical services – dermatology/dentistry
Concordia Community Outpatients Ltd	England and Wales	Ordinary 51%	Medical services – ENT

The limited liability partnership's investment in Concordia Ambulatory Care Services Ltd, Concordia Specialist Care Services Ltd and Concordia Community Outpatients Ltd are indirect, because those companies are subsidiaries of Concordia Health Group Ltd.

**24. Financial commitments under operating leases**

The group is committed to make the following payments in the next year in respect of operating leases:

	<b>Land and buildings</b>		<b>Others</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Operating leases which expire:				
Within one year	100,809	-	-	-
Between one and five years	-	98,342	-	-
Over five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	100,809	98,342	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

There are no commitments relating to the limited liability partnership.

**25. Net cash flow from operating activities**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating profit/(loss)	348,435	(108,033)
Depreciation charges	132,514	108,115
Loss on sale of tangible fixed assets	-	2,913
(Increase)/decrease in stocks	(4,992)	5,850
(Increase) in debtors	(49,262)	(272,931)
(Decrease)/increase in creditors	(167,672)	68,964
	<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	258,924	(195,122)
	<hr/>	<hr/>

**CONCORDIA HEALTH HOLDINGS LLP**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**26. Returns on investments and servicing of finance**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Investment income	-	5,173
Interest received	20	2
Interest paid	(8,828)	(6,937)
	<hr/>	<hr/>
<b>Net returns on investments and servicing of finance</b>	<b>(8,808)</b>	<b>(1,762)</b>
	<hr/>	<hr/>

**27. Capital expenditure and financial investment**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Purchase of tangible fixed assets	(62,551)	(209,585)
Sale of tangible fixed assets	-	15,000
Investment disposal proceeds	-	250,000
	<hr/>	<hr/>
<b>Net capital expenditure and financial investment</b>	<b>(62,551)</b>	<b>55,415</b>
	<hr/>	<hr/>

**28. Financing**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loan repayments	(60,569)	(39,578)
New bank loans received	-	250,000
	<hr/>	<hr/>
<b>Net financing costs</b>	<b>(60,569)</b>	<b>210,422</b>
	<hr/>	<hr/>

**29. Analysis of net funds**

	<b>2013</b>	<b>Cash flow</b>	<b>Other entries</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash:				
Cash at bank and in hand	477,302	(35,164)	-	442,138
	<hr/>	<hr/>	<hr/>	<hr/>
	477,302	(35,164)	-	442,138
	<hr/>	<hr/>	<hr/>	<hr/>
Debt				
Due within one year				
Bank loans	(60,500)	60,500	(60,500)	(60,500)
Due after one year				
Bank loans	(205,437)	69	60,500	(144,868)
	<hr/>	<hr/>	<hr/>	<hr/>
	(265,937)	60,569	-	(205,368)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net funds</b>	<b>211,365</b>	<b>25,405</b>	<b>-</b>	<b>236,770</b>
	<hr/>	<hr/>	<hr/>	<hr/>

## CONCORDIA HEALTH HOLDINGS LLP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

#### 30. Related party transactions

The limited liability partnership has taken advantage of the exemption afforded by FRS 8 'Related Party Disclosures' from disclosing transactions with other companies within the Concordia Health Holdings group.

Health Workforce Limited was a related party by virtue of common ownership until the date of its dissolution on 5 May 2015.

No transactions were entered into with Health Workforce Limited during the year ended 30 September 2014.

During the previous year, the group received a rent refund for premises previously occupied by Health Workforce Limited amounting to £8,553, and purchased fixed assets from Health Workforce Limited on the cessation of that company's trade for consideration of £6,658. In addition, the group transferred funds to Health Workforce Limited to fund cash flow amounting to £2,500.

At 30 September 2013 the group owed Health Workforce Limited £143. Any remaining balances have been fully written off at 30 September 2014.

The members of Concordia Health Holdings LLP have loan accounts with the group, which are categorised as directors' loan accounts in certain subsidiary companies.

The following members had interest free loans due to the group during the year. These are reported within other debtors and details are as follows:

J W Chisholm - £11,793 (2013 - £11,793). The maximum balance in the year was £11,793.

S O Fradd - £nil (2013 - £nil). The maximum balance in the year was £nil.

A Hurd - £215,559 (2013 - £nil). The maximum balance in the year was £215,559.

T Hurd - £8,000 (2013 - £nil). The maximum balance in the year was £8,000.

Included in creditors due within one year at 30 September 2014 were the following amounts due to members:

S O Fradd - £39,137 (2013 - £39,137).

A Hurd - £nil (2013 - £1,741).

T Hurd - £3,542 (2013 - £15,842).

Included in creditors due after one year

A Hurd - £nil (2013 - £nil).

T Hurd - £80,000 (2013 - £80,000).

#### 31. Capital commitments

The group companies had no commitments to purchase tangible fixed assets at the year end, where contracts were in force but provision not made in the financial statements (2013 - £nil).

#### 32. Control relationship

The limited liability partnership is under the control of its members.