Registered number: 06517384

# GP CARE UK LIMITED

## FINANCIAL STATEMENTS

## INFORMATION FOR FILING WITH THE REGISTRAR

## FOR THE YEAR ENDED 31 MARCH 2018

Bishop Fleming
Chartered Accountants

**GP CARE UK LIMITED**
**REGISTERED NUMBER:06517384**

# STATEMENT OF FINANCIAL POSITION
## AS AT 31 MARCH 2018

| | Note | | 2018 | | 2017 |
|---|---|---|---|---|---|
| | | | £ | | £ |
| **FIXED ASSETS** | | | | | |
| Intangible assets | 6 | | **-** | | 101,094 |
| Tangible assets | 7 | | **91,024** | | 142,921 |
| Investments | 8 | | **4** | | 4 |
| | | | **91,028** | | 244,019 |
| **CURRENT ASSETS** | | | | | |
| Stocks | 9 | **25,142** | | 35,105 | |
| Debtors: amounts falling due within one year | 10 | **595,550** | | 525,814 | |
| Cash at bank and in hand | | **337,308** | | 501,227 | |
| | | **958,000** | | 1,062,146 | |
| Creditors: amounts falling due within one year | 11 | **(536,591)** | | (693,153) | |
| **NET CURRENT ASSETS** | | | **421,409** | | 368,993 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **512,437** | | 613,012 |
| Creditors: amounts falling due after more than one year | 12 | | **(332)** | | (4,641) |
| **PROVISIONS FOR LIABILITIES** | | | | | |
| Other provisions | 14 | | **(35,634)** | | (168,900) |
| **NET ASSETS** | | | **476,471** | | 439,471 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | 15 | | **647,779** | | 647,779 |
| Capital redemption reserve | | | **10,684** | | 10,684 |
| Profit and loss account | | | **(181,992)** | | (218,992) |
| | | | **476,471** | | 439,471 |

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**
**AS AT 31 MARCH 2018**

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**A Manning**
Director

Date:

The notes on pages 3 to 13 form part of these financial statements.

## 1. GENERAL INFORMATION

GP Care UK Limited is a private company incorporated in England and Wales under the Companies Act. The address of the registered office is: 2430/2440 The Quadrant, Aztec West, Bristol, BS32 4AQ.

## 2. ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

### 2.2 GOING CONCERN

The Directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. The Company has a number of contracts with Clinical Commissioning Groups to provide services, which are renewed on a regular basis, some annually and some every few years. The Company is currently in the process of renegotiating certain contracts. The Directors anticipate sufficient contracts will be renewed and / or won to enable the Company to operate as a going concern for a period of at least one year from the date of approval of these financial statements.

### 2.3 INTANGIBLE ASSETS

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

A review of the useful economic life of the goodwill took place during the year. A change in accounting estimate was made to reduce the goodwill's useful economic life from 20 years to 10 years resulting in the balance of the carrying value of the goodwill being written off this year. This resulted in an additional amortisation charge of £91,972.

### 2.4 TURNOVER

Turnover comprises revenue recognised by the company in respect of primary healthcare services, private healthcare services and HR consultancy supplied, exclusive of VAT, when a right to consideration has been obtained in exchange for performance of contractual obligations.

### 2.5 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## 2. ACCOUNTING POLICIES (continued)

### 2.5 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---|---|
| Fixtures and fittings | - Straight line over 3 years |
| Computer equipment | - Straight line over 3 years |
| Medical Equipment | - Straight line over 3/5 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

### 2.6 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.7 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is 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.

### 2.8 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.9 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.10 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a

## 2. ACCOUNTING POLICIES (continued)

### 2.10 FINANCIAL INSTRUMENTS (CONTINUED)

rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

### 2.11 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.12 FINANCE COSTS

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 2.13 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

### 2.14 LEASED ASSETS: THE COMPANY AS LESSEE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

## 2. ACCOUNTING POLICIES (continued)

### 2.15 PENSIONS

**DEFINED CONTRIBUTION PENSION PLAN**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

### 2.16 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

### 2.17 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- 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
- 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, when deferred tax is recognised on the differences between the fair values 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 2.18 EXCEPTIONAL ITEMS

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

## 3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the directors have had to make the following judgments:

Determine whether leases entered into by the Company either as a lessor or a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

## 4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 64 (2017: 57).

## 5. TAXATION

| | **2018** | 2017 |
|---|---|---|
| | **£** | £ |
| **TOTAL CURRENT TAX** | **-** | - |
| **DEFERRED TAX** | | |
| Origination and reversal of timing differences | **8,646** | (24,904) |
| **TOTAL DEFERRED TAX** | **8,646** | (24,904) |
| **TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES** | **8,646** | (24,904) |

### FACTORS AFFECTING TAX CHARGE FOR THE YEAR

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2017: 20%).

### FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The company has tax losses of approximately £327,000 (2017: £435,000) available to be carried forward to be offset against future trading profits.

In accordance with FRS102 in respect of deferred taxation, the company has recognised a deferred tax asset of £44,093 as at 31 March 2018 (2017: £52,379), which relates primarily to tax losses carried forward available for relief against future taxable income of the company.

## 6. INTANGIBLE ASSETS

| | Goodwill £ |
|---|---|
| **COST** | |
| At 1 April 2017 | **182,431** |
| At 31 March 2018 | **182,431** |
| **AMORTISATION** | |
| At 1 April 2017 | **81,337** |
| Charge for the year | **101,094** |
| At 31 March 2018 | **182,431** |
| **NET BOOK VALUE** | |
| At 31 March 2018 | **-** |
| At 31 March 2017 | 101,094 |

## 7. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Computer equipment £ | Medical equipment £ | Total £ |
|---|---|---|---|---|
| **COST** | | | | |
| At 1 April 2017 | **16,056** | **121,769** | **428,340** | **566,165** |
| Additions | **-** | **9,307** | **5,784** | **15,091** |
| Disposals | **(12,732)** | **(30,642)** | **(28,218)** | **(71,592)** |
| At 31 March 2018 | **3,324** | **100,434** | **405,906** | **509,664** |
| **DEPRECIATION** | | | | |
| At 1 April 2017 | **14,338** | **93,900** | **315,006** | **423,244** |
| Charge for the year on owned assets | **691** | **18,023** | **45,322** | **64,036** |
| Charge for the year on financed assets | **-** | **-** | **2,652** | **2,652** |
| Disposals | **(12,559)** | **(30,528)** | **(28,205)** | **(71,292)** |
| At 31 March 2018 | **2,470** | **81,395** | **334,775** | **418,640** |
| **NET BOOK VALUE** | | | | |
| At 31 March 2018 | **854** | **19,039** | **71,131** | **91,024** |
| At 31 March 2017 | 1,718 | 27,869 | 113,334 | 142,921 |

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

| | **2018** £ | 2017 £ |
|---|---|---|
| Medical equipment | **6,630** | 22,557 |
| | **6,630** | 22,557 |

## 8. FIXED ASSET INVESTMENTS

| | Investments in subsidiary companies £ |
|---|---|
| **COST** | |
| At 1 April 2017 | **4** |
| At 31 March 2018 | **4** |
| **NET BOOK VALUE** | |
| At 31 March 2018 | **4** |
| At 31 March 2017 | 4 |

**SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the Company:

| Name | Class of shares | Holding | Principal activity |
|---|---|---|---|
| Hello Health Limited | Ordinary | 100 % | Dormant |
| Great Patient Care Limited | Ordinary | 100 % | Dormant |

The aggregate of the share capital and reserves as at 31 March 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

| | Aggregate of share capital and reserves £ |
|---|---|
| Hello Health Limited | **2** |
| Great Patient Care Limited | **2** |
| | **4** |

The registered address for both subsidiaries is 2430/2440 The Quadrant, Aztec West, Bristol, United Kingdom, BS32 4AQ.

## 9. STOCKS

| | 2018 £ | 2017 £ |
|---|---|---|
| Finished goods and goods for resale | **25,142** | 35,105 |
| | **25,142** | 35,105 |

## 10. DEBTORS

| | 2018 £ | 2017 £ |
|---|---|---|
| Trade debtors | **474,858** | 431,459 |
| Other debtors | **16,580** | - |
| Prepayments and accrued income | **60,019** | 41,616 |
| Deferred taxation | **44,093** | 52,739 |
| | **595,550** | 525,814 |

## 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2018 £ | 2017 £ |
|---|---|---|
| Trade creditors | **213,059** | 328,794 |
| Other taxation and social security | **41,089** | 43,635 |
| Obligations under finance lease and hire purchase contracts | **3,978** | 12,336 |
| Other creditors | **3,413** | - |
| Accruals and deferred income | **275,052** | 308,388 |
| | **536,591** | 693,153 |

## 12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2018 £ | 2017 £ |
|---|---|---|
| Net obligations under finance leases and hire purchase contracts | **332** | 4,641 |
| | **332** | 4,641 |

## 13. DEFERRED TAXATION

| | 2018 £ |
|---|---|
| At beginning of year | **52,739** |
| Charged to profit or loss | **(8,646)** |
| **AT END OF YEAR** | **44,093** |

The deferred tax asset is made up as follows:

| | 2018 £ | 2017 £ |
|---|---|---|
| Accelerated capital allowances | **(11,491)** | (21,274) |
| Tax losses carried forward | **55,584** | 74,013 |
| | **44,093** | 52,739 |

## 14. PROVISIONS

| | Provision £ | IR35 Provision £ | Total £ |
|---|---|---|---|
| At 1 April 2017 | **168,900** | **-** | **168,900** |
| Charged to profit or loss | **-** | **35,634** | **35,634** |
| Utilised in year | **(168,900)** | **-** | **(168,900)** |
| **AT 31 MARCH 2018** | **-** | **35,634** | **35,634** |

## 15. SHARE CAPITAL

| | 2018 £ | 2017 £ |
|---|---|---|
| **ALLOTTED, CALLED UP AND FULLY PAID** | | |
| 6,477,790 (2017: 6,477,790) Ordinary shares of £0.10 each | **647,779** | 647,779 |

## 16. SHARE BASED PAYMENTS

The company has an enterprise management investment scheme under which share options are granted to certain employees.

At the end of the year one employee and one former employee (2017: one employee and one former employee) held options over 821,454 ordinary shares of 10p each. At the year end options were exercisable at 10p per share and expire on the earlier of 17 September 2018 or termination of employment. There are no performance criteria attached to the exercise of options. An agreement was reached with the directors of the company to allow the options held by the former employee to continue and not lapse.

## 17. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted £97,213 (2017: £116,709).

## 18. RELATED PARTY TRANSACTIONS

During the year GP Care UK Limied undertook the following related party transactions with the directors or the medical practices where they are either partners or employees:

Purchases of £1,400 (2017: £1,814). None of these purchases were deemed sufficiently material to either party to warrant individual disclosure.

The above transactions were made on commercial terms in the normal course of business.

## 19. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 March 2018 was unqualified.

The audit report was signed on by John Talbot FCA (Senior Statutory Auditor) on behalf of Bishop Fleming Bath Limited.