

Company Registration No. 06889809 (England and Wales)

**APM HEALTHCARE LIMITED**

**FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
30 JUNE 2017**

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# **APM HEALTHCARE LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 30 JUNE 2017**

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

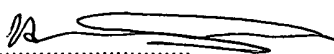
**APM HEALTHCARE LIMITED****STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

|  | Notes | 2017               |                | 2016             |                  |
|--|-------|--------------------|----------------|------------------|------------------|
|  |       | £                  | £              | £                | £                |
| <b>Fixed assets</b>  |       |                    |                |                  |                  |
| Investments  | 3     |                    | 100            |                  | 101              |
| <b>Current assets</b>  |       |                    |                |                  |                  |
| Debtors  | 5     | 2,524,795          |                | 2,065,406        |                  |
| Cash at bank and in hand                                       |       | 288,127            |                | 502,289          |                  |
|  |       | <u>2,812,922</u>   |                | <u>2,567,695</u> |                  |
| <b>Creditors: amounts falling due within one year</b>          | 6     | <u>(2,224,695)</u> |                | <u>(818,435)</u> |                  |
| <b>Net current assets</b>                                      |       |                    | 588,227        |                  | 1,749,260        |
| <b>Total assets less current liabilities</b>                   |       |                    | <u>588,327</u> |                  | <u>1,749,361</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 7     |                    | -              |                  | (1,142,458)      |
| <b>Net assets</b>  |       |                    | <u>588,327</u> |                  | <u>606,903</u>   |
| <b>Capital and reserves</b>                                    |       |                    |                |                  |                  |
| Called up share capital  | 8     |                    | 174            |                  | 174              |
| Share premium account  |       |                    | 615,310        |                  | 615,310          |
| Profit and loss reserves                                       |       |                    | (27,157)       |                  | (8,581)          |
| <b>Total equity</b>  |       |                    | <u>588,327</u> |                  | <u>606,903</u>   |

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 19/03/2018 and are signed on its behalf by:

  
 .....  
 H Patel  
 Director

# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2017

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### 1 Accounting policies

#### Company information

APM Healthcare Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Peterwood Way, Croydon, Surrey, United Kingdom, CR0 4UQ.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Transition to FRS 102

These financial statements are the first financial statements of APM Healthcare Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of APM Healthcare Limited for the year ended 31 March 2016 were prepared in accordance Financial Reporting Standard for Smaller Entities (effective January 2015) (FRSSE). The date of transition is therefore 1 April 2015.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### Going concern

The financial statements have been prepared on a going concern basis as the parent undertaking, Day Lewis PLC, has formally indicated its intention to continue to provide financial support to the Companies to meet its obligations as they fall due for the foreseeable future, and for a period of at least 12 months from the date of approval of these financial statements. The directors have no reason to believe that the parent company will not be in a position to provide the support referred to above and, accordingly, they have prepared the financial statements on a going concern basis.

#### Reporting period

The reporting year end has been extended to 30 June 2017 to correspond with the completion date of the sale of the company.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 30 JUNE 2017

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#### 1 Accounting policies (Continued)

##### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                       |                      |
|-----------------------|----------------------|
| Fixtures and Fittings | 20% reducing balance |
| Computer equipment    | 20% reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand.

##### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 30 JUNE 2017

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#### 1 Accounting policies (Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries, that will be assessed to or allow for tax in a future period except where the company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2017

### 2 Tangible fixed assets

|                                    | Plant and machinery etc<br>£ |
|------------------------------------|------------------------------|
| <b>Cost</b>                        |                              |
| At 1 April 2016 and 30 June 2017   | 686                          |
| <b>Depreciation and impairment</b> |                              |
| At 1 April 2016 and 30 June 2017   | 686                          |
| <b>Carrying amount</b>             |                              |
| At 30 June 2017                    | -                            |
| At 31 March 2016                   | -                            |

### 3 Fixed asset investments

|             | 2017<br>£ | 2016<br>£ |
|-------------|-----------|-----------|
| Investments | 100       | 101       |

#### Movements in fixed asset investments

|                          | Shares in<br>group<br>undertakings<br>£ |
|--------------------------|---|
| <b>Cost or valuation</b> |   |
| At 1 April 2016          | 101                                     |
| Disposals                | (1)                                     |
| At 30 June 2017          | 100                                     |
| <b>Carrying amount</b>   |   |
| At 30 June 2017          | 100                                     |
| At 31 March 2016         | 101                                     |

On the 30 June 2017 the company sold its investment in APM Healthcare Developments Limited at a cost of £1, and so no gain/ loss on disposal.

# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2017

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### 4 Subsidiaries

Details of the company's subsidiaries at 30 June 2017 are as follows:

| Name of undertaking               | Registered office key | Nature of business                                 | Class of shares held | % Held |          |
|-----------------------------------|-----------------------|--|----------------------|--------|----------|
|                                   |                       |  |                      | Direct | Indirect |
| Community Pharmacies (UK) Limited | 1                     | The provision of management services to pharmacies | Ordinary             | 100.00 |          |

#### Registered Office addresses:

1 2 Peterwood Way, Croydon, Surrey, United Kingdom, CR0 4UQ

### 5 Debtors

|                                      | 2017             | 2016             |
|--------------------------------------|------------------|------------------|
| Amounts falling due within one year: | £                | £                |
| Amounts owed by group undertakings   | 2,512,915        | 2,050,791        |
| Other debtors                        | 11,880           | 14,615           |
|                                      | <u>2,524,795</u> | <u>2,065,406</u> |



# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 30 JUNE 2017

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| 6 Creditors: amounts falling due within one year | 2017             | 2016           |
|--|------------------|----------------|
|  | £                | £              |
| Trade creditors                                  | 372              | 6,738          |
| Other taxation and social security               | -                | 1,709          |
| Other creditors                                  | 2,224,323        | 809,988        |
|  | <u>2,224,695</u> | <u>818,435</u> |

The following securities have been given to the bank:

- A composite guarantee from Community Pharmacies (UK) Ltd and APM Healthcare Limited in respect of the obligations of the Borrower to the Bank.

- A debenture giving Santander UK plc priority over all of its assets and undertaking.

- A deed of priority as appropriate.

Loan notes totalling £519,231 were issued on 1 August 2011, £657,692 on 1 May 2012 and £207,692 on 8th July 2013. They are payable at the company's option at any point up to 5 years after draw down and 5 and half years after draw down in two equal tranches.

An interest rate of 8% is charged and a redemption premium of 44.5% of the outstanding amount is repayable at any time the loans are repaid. The loans are secured by fixed and floating charges on all the assets of the company. Costs attributed with the raising and redemption of the loan notes are charged to the profit and loss account.

The loan notes were repaid on 30 June 2017 by the Day Lewis plc, this balance is now a loan from the Day Lewis plc to APM Healthcare Limited. No interest is payable and there are no repayment terms.

| 7 Creditors: amounts falling due after more than one year | 2017     | 2016             |
|---|----------|------------------|
|   | £        | £                |
| Other creditors   | -        | 1,142,458        |
|   | <u>-</u> | <u>1,142,458</u> |

The loan notes were repaid on 30 June 2017 by the Day Lewis plc, this balance is now a loan from Day Lewis plc to APM Healthcare Limited. No interest is payable and there are no repayment terms.

# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2017

| 8 | Called up share capital                 | 2017       | 2016       |
|---|---|------------|------------|
|   |   | £          | £          |
|   | <b>Ordinary share capital</b>           |            |            |
|   | <b>Issued and fully paid</b>            |            |            |
|   | 100,000 Ordinary shares of 0.1p each    | 100        | 100        |
|   | 74,000 'A' Ordinary shares of 0.1p each | 74         | 74         |
|   |   | <u>174</u> | <u>174</u> |

The ordinary shares and "A" ordinary shares rank pari passu in all material respects. The "A" ordinary shares are convertible to ordinary shares.

### 9 Related party transactions

During the prior period and up to 30 June 2017, ProVen Growth and Income VCT PLC and ProVen VCT PLC, together held a 42.5% (2016: 42.5%) shareholding in the company. The split between the funds was 31.9% (2015: 31.9%) PGI VCT and 10.6% (2015: 10.6%) ProVen VCT. At 30 June 2017 the amounts owed to ProVen VCT PLC and PGI VCT in the form of loan notes, which were included within creditors, was £2,207,601 (2016: £1,944,446) with interest and similar charges payable on the loan amounted to £414,330 (2016: £244,955).

On 30 June 2017 the whole of the share capital was sold to Day Lewis Plc. At that time the loan previously owed to ProVen VCT PLC and PGI VCT was repaid by Day Lewis Plc, and transferred into a loan owed by APM Healthcare Limited to Day Lewis Plc.

Community Pharmacies (UK) Limited is a wholly owned subsidiary of APM Healthcare Limited.

Interest includes interest receivable of £414,330 (2016: £451,583) from Community Pharmacies (U.K.) Limited. This amount relates to a recharge of interest and similar charges on the ProVen VCT loans.

Included within amounts owed by group undertakings within Debtors is an unsecured loan to Community Pharmacies (UK) Limited of £2,510,113 (2016: £2,034,790) for which there is no fixed repayment date. This balance includes an amount relating to the interest charges as noted above.

APM Healthcare Developments was a wholly owned subsidiary of APM Healthcare Limited until 30 June 2017 when it was sold to the director. Included within amounts owed by group undertakings within debtors is an amount owed to APM Healthcare Developments Limited of £nil (2016: £16,000).

The following entities are all associated companies as they are 50% owned by Community Pharmacies (UK) Limited.

APM Healthcare Limited was owed £2,079 (2016: nil) by Priory Fields Healthcare LLP at the period ended 30 June 2017.

APM Healthcare Limited was owed £300 (2016: nil) by Newton Place Healthcare LLP at the period ended 30 June 2017.

APM Healthcare Limited was owed £424 (2016: nil) by Denmark Street Healthcare LLP at the period ended 30 June 2017.

# APM HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2017

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### 10 Parent company

The company was under the control of Mr A Murray throughout the current and previous year. Mr A Murray is the *Managing Director and majority shareholder*.

On 30th June 2017 100% of the share capital of APM Healthcare Limited was purchased by Day Lewis PLC. Day Lewis PLC is owned by Day Lewis Holdings (a company registered in Cyprus). There is no ultimate controlling party for Day Lewis Holdings.

### 11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.  
The senior statutory auditor was Michael Fairhurst FCA.  
The auditor was RSM UK Audit LLP.