Registered number: 07505621

CLACTON DENTAL CARE LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2017

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CLACTON DENTAL CARE LTD

COMPANY INFORMATION

Directors	Parish Vaid Sanjay Shah Snehal Radia
Registered number	07505621
Registered office	Aston House Cornwall Avenue London N3 1LF
Independent auditors	Adler Shine LLP Chartered Accountants & Statutory Auditor Aston House Cornwall Avenue London N3 1LF

CLACTON DENTAL CARE LTD

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STRATEGIC REPORT
FOR THE PERIOD ENDED 31 MARCH 2017

Introduction

The principal activity of the company is the provision of dental services.

Business review

Review of the development and performance of the company
During the period the company completed the purchase of the trade and certain assets from a number of dental groups which consisted of 11 dental practices. The trading activity presented herein therefore represent the period from 1 November 2015 to 31 March 2017. The company provides NHS and private dental services to patients.

Strategy and future outlook
The directors believe that the company continues to be well positioned to take advantage of further opportunities within the market and that the company will continue to grow through the acquisition of further dental practices.

Financial review
The majority of the company's revenue is derived from a fixed income contract with the relevfant NHS Region. The fixed income nature of the contract provides the company with stability and visibility over its revenue and profit streams.

Turnover for the period was £13,949,881. Profit on ordinary activities before tax for the period was £1,017,819. The profit for the financial period was £472,918.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") is the key indicator for the company's directors. In the period EBITDA was £3,058,169.

Principal risks and uncertainties

Regulatory risks
The results of the group are subject to the regulatory environment related to health and safety, quality of care, the storage and distribution of controlled drugs and medicines, the disposal of hazardous waste and data protection, principally through the costs related to compliance. The dental practices are subject to regular review by the Care Quality Commission ('CQC') and could be closed if compliance with CQC guidelines cannot be demonstrated. The practices are also subject to regulatory oversight from the Medical and Healthcare Products Regulatory Agency ('MHRA') in respect of the purchase, sale and storage of medicines.

The dental practices receive, generate and store significant volumes of personal data containing patients personal and medical information. Therefore, they are subject to the privacy laws with respect to the use, transfer and disclosure of this data. A failure to adequately safeguard confidential patient information could result in significant fines, penalties and litigation.

NHS contract
The NHS contract for a dentist in England and Wales, introduced in April 2006, provides clear benefits to the company, both in terms of income stability and visibility and therefore dentist retention. However, as with any system, there are likely to be modifications to it, potentially through the introduction of a new contract structure. The extent of such modifications and the impact which they may have on the company, either in a favourable or adverse manner have not yet been drafted into legislation. However, the company maintains a close dialogue with the regulators in developing the new contract and is participating in the prototype programme which commenced in October 2015 to ensure that the business is well prepared for future changes, if any.

Clinicians and other qualified staff
The company requires skilled clinicians, hygienists and nurses in order to care for its growing patient base. The expansion of the European Union ('EU') over recent years and the increased capacity of UK dental schools have increased the supply of clinicians available to the company. The improved supply, coupled with the nature of the dentist's contracts has improved the retentions of dentists within the company. The directors recognise the importance of quality clinicians and their self-employed status for ensuring the continued success of the company. The company manages the risk associated with the supply of clinicians through offering access and subscription to training and development programmes to enhance retention. Due to factors which have resulted in a decrease in Units of Dental Activity ('UDA') delivery rates over the past two years, the company is currently working to recruit additional clinicians in order to deliver its NHS contracts. In addition, the UK's decision to withdraw from membership of the EU may impact the supply of clinicians in future and the company continues to monitor developments.

The company continues to invest in improving pay structures and incentivisation for nurses and other clinical staff and continues to review the impact of changes resulting from the introduction of the Apprenticeship Levy and future increases to the National Living Wage upon its staffing structures.

Financial key performance indicators

One of the key performance indicators ("KPIs") which the directors monitor is EBITDA. This is reviewed in absolute terms and in relation to the budget management accounts.

Other key performance indicators

Other KPIs used by the company include the following:
- Staff retention
- NHS activity performance against targets
- Dental Material spend
- Additional Equipment/Surgery add spend vs Additional revenue
- Marketing spend vs Additional revenue

This report was approved by the board on 5 December 2017 and signed on its behalf.



Sanjay Shah
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2017

The directors present their report and the financial statements for the period ended 31 March 2017.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Results and dividends

The profit for the period, after taxation, amounted to £472,918 *(2015 - £NIL).*

Directors

The directors who served during the period were:

Parish Vaid
Sanjay Shah
Snehal Radia

Future developments

- Minor Oral Surgery procurement- currently we are providing services across 3 sites. If successful, a new NHS England Procurement across Essex, Cambridgshire and Norfolk will potentially allow us to add an additional 6/7 sites and additional revenue

- 5 additional sites planned for completion between February 2018 – April 2018.

- 1 of these sites has an Orthodontic Contract. NHS England are looking to re-procure these contracts across Essex, Cambridgshire and Norfolk. We will be looking to participate in this tender and if successful will add additional revenue.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2017

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

In June 2017, the Company completed the purchase of the trade and certain assets from a further three dental practices as well as a share acquisition of The Toothplace Dental Surgery Ltd, containing two practices.

Auditors

The auditors, Adler Shine LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 5 December 2017 and signed on its behalf.



Sanjay Shah
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CLACTON DENTAL CARE LTD

We have audited the financial statements of Clacton Dental Care Ltd for the period ended 31 March 2017, set out on pages 8 to 28. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' 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.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement on page 4, the directors 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 Financial Reporting Council'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 Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Directors' Report 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 on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its profit for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with those financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CLACTON DENTAL CARE LTD (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 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.

Darsh K Shah (Senior Statutory Auditor)

for and on behalf of
Adler Shine LLP

Chartered Accountants
Statutory Auditor

Aston House
Cornwall Avenue
London
N3 1LF

5 December 2017

CLACTON DENTAL CARE LTD

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2017

	Note	Period ended 31 March 2017 £	*Year ended 31 October 2015 £*
Turnover	4	**13,949,881**	-
Cost of sales		**(6,829,922)**	-
Gross profit		**7,119,959**	-
Administrative expenses		**(5,821,224)**	-
Operating profit	5	**1,298,735**	-
Interest payable and expenses	8	**(280,916)**	-
Profit before tax		**1,017,819**	-
Tax on profit	9	**(544,901)**	-
Profit for the period		**472,918**	-
Other comprehensive income for the period			
Total comprehensive income for the period		**472,918**	-

CLACTON DENTAL CARE LTD
REGISTERED NUMBER: 07505621

BALANCE SHEET
AS AT 31 MARCH 2017

	Note		31 March 2017 £		*31 October 2015 £*
Fixed assets					
Intangible assets	10		**11,084,859**		-
Tangible assets	11		**593,358**		-
			11,678,217		-
Current assets					
Stocks	12	**20,001**		-	
Debtors: amounts falling due within one year	13	**1,295,134**		-	
Cash at bank and in hand	14	**225,763**		*100*	
		1,540,898		*100*	
Creditors: amounts falling due within one year	15	**(3,947,757)**		-	
Net current (liabilities)/assets			**(2,406,859)**		*100*
Total assets less current liabilities			**9,271,358**		*100*
Creditors: amounts falling due after more than one year	16		**(8,692,724)**		-
Net assets			**578,634**		*100*
Capital and reserves					
Called up share capital			**102**		*100*
Share premium account	21		**105,614**		-
Profit and loss account	21		**472,918**		-
			578,634		*100*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 December 2017.



Sanjay Shah
Director
The notes on pages 13 to 28 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2015	100	-	-	100
Comprehensive income for the period				
Profit for the period	-	-	472,918	472,918
Total comprehensive income for the period	-	-	472,918	472,918
Shares issued during the period	2	105,614	-	105,616
Total transactions with owners	2	105,614	-	105,616
At 31 March 2017	102	105,614	472,918	578,634

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 OCTOBER 2015

	Called up share capital	Total equity
	£	£
At 1 April 2015	100	100
Total transactions with owners	-	-
At 31 October 2015	100	100

The notes on pages 13 to 28 form part of these financial statements.

CLACTON DENTAL CARE LTD

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2017

	31 March 2017 £	*31 October 2015 £*
Cash flows from operating activities		
Profit for the financial period	**472,918**	-
Adjustments for:		
Amortisation of intangible assets	**1,590,497**	-
Depreciation of tangible assets	**168,021**	-
Impairments of fixed assets	**917**	-
Interest paid	**280,916**	-
Taxation charge	**544,901**	-
(Increase)/decrease in stocks	**(20,001)**	-
(Increase)/decrease in debtors	**(1,263,389)**	-
Increase in creditors	**2,454,339**	-
Net cash generated from operating activities	**4,229,119**	-
Cash flows from investing activities		
Purchase of intangible fixed assets	**(12,675,356)**	-
Purchase of tangible fixed assets	**(762,321)**	-
HP interest paid	**(15,842)**	-
Net cash from investing activities	**(13,453,519)**	-
Cash flows from financing activities		
Issue of ordinary shares	**105,615**	*100*
New secured loans	**9,441,844**	-
Repayment of finance leases	**167,677**	-
Interest paid	**(265,073)**	-
Net cash used in financing activities	**9,450,063**	*100*
Net increase in cash and cash equivalents	**225,663**	*100*
Cash and cash equivalents at beginning of period	**100**	-
Cash and cash equivalents at the end of period	**225,763**	*100*
Cash and cash equivalents at the end of period comprise:		
Cash-at-bank-and-in-hand	**225,763**	*100*
	225,763	*100*

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017

1. General information

Clacton Dental Care Limited is a private company limited by shares and incorporated in England. Its registered office of the company is Aston House, Cornwall Avenue, London, N3 1LF.

The principal place of business is Dental Care Group Head Office, Regus (Warley), Jubilee House, 3 The Dr, Great Warley, Warley, Brentwood CM13 3FR.

The principal activity of the company is the provision of dental services.

During the period the company completed the purchase of the trade and certain assets from a number of dental groups which consisted of 11 dental practices. The trading activity presented herein therefore represent the period from 1 November 2015 to 31 March 2017.

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 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 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.3 Intangible assets

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years

2.4 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Long-term leasehold property	- 10 year straight line
Plant and machinery	- 20% reducing balance
Computer equipment	- 33.33% reducing balance

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 Comprehensive Income.

2.5 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet 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 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 balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2. Accounting policies (continued)

2.6 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

2.7 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.

2.8 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.9 Financial instruments

The Company only enters into basic financial instruments 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 rate of interest that is not a market rate or in 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

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.

2. Accounting policies (continued)

2.9 Financial instruments (continued)

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.10 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.

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income 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.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.13 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 Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

2.15 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet date in the countries where the Company operates and generates income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the preparation of the financial statements the Directors are required to make significant judgements and estimates. The principal areas of the financial statements where judgements and estimates have been made are:

Impairment of fixed assets
At each reporting date, fixed assets, including goodwill and tangible assets, are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. In determining whether there is an indication of impairment a number of judgemental factors must be considered, including an estimate of the future economic benefits that can be derived from the assets and current market conditions.

Useful economic lives of fixed assets
Fixed assets including goodwill and tangible assets are amortised over their useful economic lives. Useful lives are based on management's estimates of the period over which the assets will generate income. Useful lives are periodically reviewed for their continued appropriateness. Changes to estimates can result in changes in carrying values and hence change the amount charged to the income statement in particular periods which could be significant. More details, including carrying values, are included in notes 10 and 11.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2017

4. Turnover

An analysis of turnover by class of business is as follows:

	Period ended 31 March 2017 £	Year ended 31 October 2015 £
Sales	**13,949,881**	-
	13,949,881	-

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	Period ended 31 March 2017 £	Year ended 31 October 2015 £
Depreciation of tangible fixed assets	**168,963**	-
Amortisation of intangible assets, including goodwill	**1,590,497**	-
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	**23,000**	-
Defined contribution pension cost	**4,660**	-

During the period, no director received any emoluments *(2015 - £NIL)*.

6. Auditors' remuneration

	Period ended 31 March 2017 £	Year ended 31 October 2015 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	**23,000**	-

7. Employees

Staff costs were as follows:

	Period ended 31 March 2017 £	*Year ended 31 October 2015 £*
Wages and salaries	**7,702,429**	-
Social security costs	**161,662**	-
Cost of defined contribution scheme	**4,660**	-
	7,868,751	-

The average monthly number of employees, including the directors, during the period was as follows:

	Period ended 31 March 2017 No.	*Year ended 31 October 2015 No.*
Employees	**111**	-
Directors	**3**	-
	114	*0*

8. Interest payable and similar charges

	Period ended 31 March 2017 £	*Year ended 31 October 2015 £*
Other loan interest payable	**265,073**	-
Finance leases and hire purchase contracts	**15,843**	-
	280,916	-

9. Taxation

	Period ended 31 March 2017 £	*Year ended 31 October 2015 £*
Corporation tax		
Current tax on profits for the year	**544,901**	-
	544,901	-
Total current tax	**544,901**	-
Deferred tax		
Total deferred tax	**-**	-
Taxation on profit on ordinary activities	**544,901**	-

Factors affecting tax charge for the period

The tax assessed for the period is higher than *(2015 - the same as)* the standard rate of corporation tax in the UK of 20% *(2015 - 20%)*. The differences are explained below:

	Period ended 31 March 2017 £	*Year ended 31 October 2015 £*
Profit on ordinary activities before tax	**1,017,819**	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	**203,564**	-
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**318,283**	-
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**54,158**	-
Capital allowances for period in excess of depreciation	**(31,104)**	-
Total tax charge for the period	**544,901**	-

9. Taxation (continued)

Factors that may affect future tax charges

In 2016 the UK government announced its intentions to reduce the standard corporation tax rate to 17% by 2020. The measure to reduce the rate to 19% for the financial year beginning 1 April 2017 and to 17% for the financial year beginning 1 April 2020 were substantively enacted on 26 October 2015 and 6 September 2016, respectively.

10. Intangible assets

	Patents £	Goodwill £	Total £
Cost			
Additions	**6**	**12,675,350**	**12,675,356**
At 31 March 2017	**6**	**12,675,350**	**12,675,356**
Amortisation			
Charge for the year	**-**	**1,590,497**	**1,590,497**
At 31 March 2017	**-**	**1,590,497**	**1,590,497**
Net book value			
At 31 March 2017	**6**	**11,084,853**	**11,084,859**
At 31 October 2015	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2017

11. Tangible fixed assets

	Long-term leasehold property improvements £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
Additions	**11,002**	**746,073**	**5,245**	**762,320**
At 31 March 2017	**11,002**	**746,073**	**5,245**	**762,320**
Depreciation				
Charge for the period on owned assets	**942**	**166,934**	**1,086**	**168,962**
At 31 March 2017	**942**	**166,934**	**1,086**	**168,962**
Net book value				
At 31 March 2017	**10,060**	**579,139**	**4,159**	**593,358**
At 31 October 2015	-	-	-	-

12. Stocks

	31 March 2017 £	*31 October 2015 £*
Stocks	**20,001**	-
	20,001	-

13. Debtors

	31 March 2017 £	*31 October 2015 £*
Trade debtors	**541,415**	-
Other debtors	**613,467**	-
Prepayments and accrued income	**140,252**	-
	1,295,134	-

14. Cash and cash equivalents

	31 March 2017 £	*31 October 2015 £*
Cash at bank and in hand	**225,763**	*100*
	225,763	*100*

15. Creditors: Amounts falling due within one year

	31 March 2017 £	*31 October 2015 £*
Bank loans	**814,581**	-
Trade creditors	**435,012**	-
Corporation tax	**544,901**	-
Other taxation and social security	**34,531**	-
Obligations under finance lease and hire purchase contracts	**102,217**	-
Other creditors	**1,953,539**	-
Accruals and deferred income	**62,976**	-
	3,947,757	-

16. Creditors: Amounts falling due after more than one year

	31 March 2017 £	*31 October 2015 £*
Bank loans	**8,627,263**	-
Net obligations under finance leases and hire purchase contracts	**65,461**	-
	8,692,724	-

Secured loans

The bank loan is secured by a fixed and floating charge over properties held personally by the directors of the company.

17. Loans

Analysis of the maturity of loans is given below:

	31 March 2017 £	*31 October 2015 £*
Amounts falling due within one year		
Bank loans	**814,581**	-
	814,581	-
Amounts falling due 2-5 years		
Bank loans	**8,627,263**	-
	8,627,263	-
	9,441,844	-

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	31 March 2017 £	*31 October 2015 £*
Within one year	**106,239**	-
Between 1-2 years	**53,183**	-
Between 2-5 years	**13,752**	-
	173,174	-

19. Financial instruments

	31 March 2017 £	*31 October 2015 £*
Financial assets		
Financial assets measured at fair value through profit or loss	**225,763**	*100*
Financial assets that are debt instruments measured at amortised cost	**1,083,394**	-
	1,309,157	*100*
Financial liabilities		
Financial liabilities measured at amortised cost	**(9,952,953)**	-
	(9,952,953)	-

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, accruals and bank loans.

20. Share capital

	31 March 2017 £	*31 October 2015 £*
Shares classified as equity		
Allotted, called up and fully paid		
609 Ordinary shares of £0.166666 each	**102**	-
100 Ordinary shares of £1 each	**-**	*100*
	102	*100*

On 10 August 2016, the company re-designated and subdivided the 100 ordinary shares of £1 each in issue into 600 ordinary shares of £0.1666 each.

On 25 August 2016, the company issued 9 ordinary shares of £0.1666 at a price of £11,735, resulting in an increase in share capital of £2 and share premium of £105,614.

21. Reserves

Share premium account

"Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.

Profit and loss account

"Profit and loss account" represents retained profits and losses.

22. Acquisition of assets

On 18 November 2015 the company acquired the following assets from the Directors at a cost of £6,537,709:

Equipment	£325,000
Stock	£12,000
Goodwill	£6,200,709

On 29 January 2016 the company acquired the following assets from R T Davey at a cost of £2,648,317:

Equipment	£180,000
Stock	£1
Leasehold premises	£2
Goodwill	£2,468,314

On 31 March 2016 the company acquired the following assets from Roos Group at a cost of £775,000:

Equipment	£25,000
Stock	£2
Goodwill	£749,998

On 31 March 2016 the company acquired the following assets from Roos Group at a cost of £3,271,517:

Equipment	£15,186
Stock	£2
Goodwill	£3,256,329

23. Pension commitments

The company operates a defined contributions 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 to £4,660. Contributions totalling £Nil (2015: £Nil) were payable to the fund at the balance sheet date.

24. Commitments under operating leases

At 31 March 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	31 March 2017 £	*31 October 2015 £*
Not later than 1 year	**189,350**	-
Later than 1 year and not later than 5 years	**685,733**	-
Later than 5 years	**1,534,400**	-
	2,409,483	-

25. Related party transactions

On 15 November 2015, the Company acquired the trade and assets from 'S Radia, P Vaid and S Shah trading as Clacton Dental', of which P Vaid, S Shah and S Radia are partners (see note 22 for further details).

At the year end, included in other creditors is an amount due to director P Vaid totalling £647,049 (2015: £Nil).

At the year end, included in other creditors is an amount due to director S Shah totalling £647,049 (2015: £Nil).

At the year end, included in other creditors is an amount due to director S Radia totalling £646,323 (2015: £Nil).

At the year end, included in debtors is an amount due from the partnership 'S Radia, P Vaid and S Shah trading as Clacton Dental' totalling £567,420 (2015: £Nil). The company has entered into several dental practice service agreements with the partnership. The limited company provide dental services to the partnership. The partnership holds dental service contracts with the NHS. NHS dental income received by the partnership is recorded in the limited company in respect of the services provided under the dental practice service agreements.

Two of the dental practices operate from properties that are owned by the directors. There is no rent charged to the company in respect of these practices.

26. Post balance sheet events

In June 2017, the Company completed the purchase of the trade and certain assets from a further three dental practices as well as a share acquisition of The Toothplace Dental Surgery Ltd, containing two practices.

27. Controlling party

There is no one individual controlling party.

CLACTON DENTAL CARE LTD

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 MARCH 2017

	Note	31 March 2017 £	*31 October 2015 £*
Turnover		**13,949,881**	-
Cost Of Sales		**(6,829,922)**	-
Gross profit		**7,119,959**	-
Gross profit %		**51.0 %**	*0.0 %*
Less: overheads			
Administration expenses		**(5,821,224)**	-
Operating profit		**1,298,735**	-
Interest payable		**(280,916)**	-
Tax on profit on ordinary activities		**(544,901)**	-
Profit for the period		**472,918**	-