

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

FOR

INTEROPERABILITY HEALTH (UK) LIMITED

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FOR THE YEAR ENDED 31 MARCH 2024**

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INTEROPERABILITY HEALTH (UK) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2024**

Directors: J Chiumiento
S Bhattacharya

Secretary: M D McGowan

Registered office: Suite 2 First Floor
10 Temple Back
Bristol
United Kingdom
BS1 6FL

Registered number: 11516708 (England and Wales)

Auditors: Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
6th Floor
3 Callaghan Square
Cardiff
CF10 5BT

INTEROPERABILITY HEALTH (UK) LIMITED (REGISTERED NUMBER: 11516708)

**BALANCE SHEET
31 MARCH 2024**

	Notes	31.3.24 £	31.3.23 £
FIXED ASSETS			
Investments	4	140,666	140,666
CURRENT ASSETS			
Debtors	5	5,891,295	6,255,661
Cash at bank	6	<u>916,433</u>	<u>1,456,316</u>
		6,807,728	7,711,977
CREDITORS			
Amounts falling due within one year	7	<u>(5,436,647)</u>	<u>(6,513,198)</u>
NET CURRENT ASSETS		<u>1,371,081</u>	<u>1,198,779</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,511,747</u>	<u>1,339,445</u>
RESERVES			
Share premium	9	716,061	716,061
Retained earnings	9	<u>795,686</u>	<u>623,384</u>
SHAREHOLDERS' FUNDS		<u>1,511,747</u>	<u>1,339,445</u>

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

In accordance with Section 444 of the Companies Act 2006, the Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 4 June 2025 and were signed on its behalf by:

J Chiumiento - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. STATUTORY INFORMATION

Interoperability Health (UK) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. The disclosure requirements of Section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements contain information about Interoperability Health (UK) Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 Section 1A, from preparing consolidated financial statements as it has met all related requirements to qualify for the exemption.

The company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise stated.

Going concern

These financial statements have been drawn up on the going concern basis. The company is dependent upon the support of its parent company, in order to meet its working capital requirements. However, the parent company has incurred recurring losses from operations and has a net capital deficiency. The parent company is therefore reliant upon the ability to access available amounts under its Revolving Loans. These events or conditions indicate that a material uncertainty exists that may cast significant doubt over the company's ability to continue as a going concern.

The parent company has provided assurances that it believes it will have the funds available to support Interoperability Health (UK) Limited for a period that exceeds twelve months from the date of approval of these financial statements. However, due to the reliance on continued access to credit facilities there remains a material uncertainty. On the basis of the assurances received the directors believe that the going concern basis is appropriate.

Prior period restatement

Restatement of classification of debtors and creditors balances

The financial statement comparatives have been restated for the year ended 31 March 2023 as a result of incorrect classification of debtors and creditors balances disclosed in the notes to the financial statements that were not in line with the statutory headings per the Companies Act formats.

The restatement to the comparatives in the note for debtors falling due within one year discloses Prepayments and accrued income of £547,797 which replaces the previously disclosed balances of Prepayments of £75,738 and Unbilled Receivable of £472,059.

The restatement to the comparatives in the note for creditors falling due within one year discloses Accruals and Deferred Income of £3,342,352 which replaces the previously disclosed balances of Accrued expenses of £254,041 and Deferred income of £3,088,311.

There is no impact on total creditor and debtor balances, nor is there an impact on the comparative profit and loss.

Accounting policies

The following principal accounting policies have been applied:

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Turnover

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 measurement of revenue and resulting profit recognition due to the size and complexity of some of the Company's contracts requires judgements to be applied, including the measurement and timing of revenue recognition and the recognition of related balance sheet items (trade debtors, accrued income, and deferred income) that result from the performance of the contract.

The Company derives its income principally from the sale of software licenses and subscriptions, including Software-as-a-Service (SaaS). The Company also derives income from the sale of services including implementation, professional services, consultancy, training and post-contract customer support.

Specific policies for key revenue streams:

a) Licenses

Income from the sale of perpetual software licenses is recognised upon delivery of the software license at a point in time. Term license and SaaS subscriptions are recognized evenly over time as the subscription as services are delivered over the term.

b) Implementation, Professional Services and Training

Income from implementation, professional services, consultancy and training is recognised over time as the services are delivered.

c) Post-contract Customer Support (PCS)

Post-contract Customer Support includes when-and-if available updates, upgrades and bug fixes to licensed software as well as phone support. Income for PCS is recognised evenly over the support period as services are provided.

Amounts recoverable on contracts are included in trade debtors and represent revenue earned in excess of payments on account. Amounts invoiced in excess of revenue earned are included in liabilities and represent deferred income.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost, less accumulated impairments. There have been no impairments to date.

Functional Currency

The Company's presentational and functional currency is Sterling and all values are rounded to the nearest pound (£) except when otherwise stated. The functional currency of the Company has been considered to be Pound Sterling based on the fact that the majority of income and expenditure is transacted in Pound Sterling.

Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are initially recognised at transaction price.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and are represented by cash in hand and deposits with financial institutions repayable without penalty on short notice of not more than 24 hours.

Accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Provision for bad debts

Management have considered the need for a provision against bad and doubtful debts. The provision is an estimate of the actual costs and timing of future cash flows, and is dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such a determination is made.

Recoverability of Intercompany Debtors

The Company has amounts owed under Group undertakings at the balance sheet date. There is judgement required in determining whether these balances are wholly or partially recoverable by the Company in future periods. The Company periodically considers the cash flows of its subsidiaries and the value attributed to services supplied between Group companies to ensure the balances are recoverable on an ongoing basis over the long term. If this review identifies that amounts owed by Group undertakings are not recoverable, then a provision is made against it. No provisions have been made to date.

Significant accounting estimates and assumptions

The Company has no estimates and assumptions that have a significant risk of causing a material adjustment in the carrying amounts of assets and liabilities within the next financial year affecting the financial statements.

Judgements

In the process of preparing the financial statements, no critical judgements were applied.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 22 (2023 - 21) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

4. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
Cost	
At 1 April 2023	
and 31 March 2024	140,666
Net book value	
At 31 March 2024	140,666
At 31 March 2023	140,666

The Company's investments at the Balance sheet date in the share capital of companies include the following:

InterOperability Middle East Technology L.L.C

Registered office: 23rd Floor, Office 2304 B Office tower, Trade Centre First, Sheikh Zayed Road, Dubai UAE P.O Box 5633

Nature of business: Reseller of Rhapsody Software

	%
Class of shares:	holding
Ordinary	100.00

Country of incorporation: UAE

Orion Health Software Technology (Shanghai) Co. Ltd.

Registered office: Suite 06, 47th Floor, Hong Kong New World Tower, No. 300 Huai Hai Zhong Road, Huang Pu, Shanghai 200021

Nature of business: Reseller of Rhapsody Software

	%
Class of shares:	holding
Ordinary	100.00

Country of incorporation: China

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	as restated	
£		
Trade debtors	4,417,091	4,662,413
Amounts owed by group undertakings	1,183,166	1,044,406
Other debtors	40,204	11
Deferred tax asset	1,637	1,034
Prepayments and accrued income	249,197	547,797
	<u>5,891,295</u>	<u>6,255,661</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

Trade debtors are stated after provisions for bad debt of £190,351 (2023: £51,820).

6. **CASH AT BANK**

	31.3.24	31.3.23
	£	£
Cash at bank	<u>916,433</u>	<u>1,456,316</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2024	2023
		as restated	
£	£		
Trade creditors		136,355	144,901
Amounts owed to group undertakings		1,461,090	2,403,068
Corporation tax		23,795	21,922
Other taxation and social security		455,686	600,955
Other creditors		71	-
Accruals and deferred income		3,359,650	3,342,352
		<u>5,436,647</u>	<u>6,513,198</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.24	31.3.23
			£	£
100	Ordinary	£0.0001	-	-
1	Ordinary	£0.0001	-	-
			<u>-</u>	<u>-</u>

Each share has full rights in the company with respect to voting, dividends and distribution.

9. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2023	623,384	716,061	1,339,445
Profit for the year	<u>172,302</u>	<u>-</u>	<u>172,302</u>
At 31 March 2024	<u>795,686</u>	<u>716,061</u>	<u>1,511,747</u>

Share Premium Account

The share premium account is used to record the aggregate amount or value of premiums paid when the Company's shares are issued at an amount in excess of the nominal value.

Retained Earnings

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

In accordance with s444(5B) of the Companies Act 2006;

The audit report of Interoperability Health (UK) Limited was unqualified.

The audit report brought emphasis to the material uncertainty related to going concern noted in note 2 of the financial statements. The parent company has incurred recurring losses from operations and has a net capital deficiency, and is therefore reliant upon the ability to access available amounts under its Revolving Loans. The parent company has provided assurances that it believes it will have the funds available to support the company for a period that exceeds twelve months from the date of approval of these financial statements, however, due to the reliance on continued access to credit facilities there remains a material uncertainty. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. The opinion was not modified in respect of this matter, and in auditing the financial statements, it was concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The independent auditors of the company are Grant Thornton UK LLP and the independent auditors' report was signed by Gareth Barry BSc ACA, Senior Statutory Auditor.

11. 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 represent contributions payable by the Company to the fund and amounted to £59,563 (2023: £43,880). Contribution totalling £NIL (2023: £9,515) were payable to the fund at the balance sheet date and are included in creditors.

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

13. ULTIMATE CONTROLLING PARTY

The Company's financial statements are included by full consolidation in the consolidated financial statements of its indirect parent, InterOperability Holdings, LLC, a company incorporated in the United States of America with its principal place of business at 1 Beacon Street, Suite 16400, Boston, MA 02108.

The immediate parent undertaking of the company is InterOperability Bidco, Inc. a company incorporated in the United States of America with its principal place of business at 1 Beacon Street, Suite 16400, Boston, MA 02108.

The ultimate parent company is Lyniate New Parent, Inc., company incorporated in the United States of America with its principal place of business at 1 Beacon Street, Suite 16400, Boston, MA 02108.

HG Pooled Management Limited (incorporated in United Kingdom) is regarded by the directors as being the company's ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.