**REGISTERED NUMBER: SC307652 (Scotland)**

# HCI VIOCARE CLINICS UK LIMITED

## UNAUDITED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST DECEMBER 2016

Russell & Russell
Chartered Accountants
4 Royal Crescent
Glasgow
G3 7SL

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## FOR THE YEAR ENDED 31ST DECEMBER 2016


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**HCI VIOCARE CLINICS UK LIMITED**

**COMPANY INFORMATION**
**FOR THE YEAR ENDED 31ST DECEMBER 2016**

| | |
|---|---|
| **DIRECTORS:** | S Leontaritis<br>B Maguire<br>N Kardaras |
| **SECRETARY:** | N Kardaras |
| **REGISTERED OFFICE:** | Kintyre House<br>209 Govan Road<br>Glasgow<br>G51 1HJ |
| **REGISTERED NUMBER:** | SC307652 (Scotland) |
| **ACCOUNTANTS:** | Russell & Russell<br>Chartered Accountants<br>4 Royal Crescent<br>Glasgow<br>G3 7SL |
| **BANKERS:** | The Royal Bank of Scotland |

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF HCI VIOCARE CLINICS UK LIMITED**

**The following reproduces the text of the report prepared for the directors and members in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of HCi Viocare Clinics UK Limited for the year ended 31st December 2016 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at http://www.icas.org.uk/accountspreparationguidance.

This report is made solely to the Board of Directors of HCi Viocare Clinics UK Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of HCi Viocare Clinics UK Limited and state those matters that we have agreed to state to the Board of Directors of HCi Viocare Clinics UK Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at http://www.icas.org.uk/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that HCi Viocare Clinics UK Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of HCi Viocare Clinics UK Limited. You consider that HCi Viocare Clinics UK Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of HCi Viocare Clinics UK Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Russell & Russell
Chartered Accountants
4 Royal Crescent
Glasgow
G3 7SL

8th June 2017

## BALANCE SHEET
## 31ST DECEMBER 2016

| | Notes | 31.12.16 £ | £ | 31.12.15 £ | £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 4 | | 17,900 | | 12,653 |
| **CURRENT ASSETS** | | | | | |
| Stocks | | 3,677 | | 4,288 | |
| Debtors | 5 | 158,696 | | 52,294 | |
| Cash at bank | | 223 | | 609 | |
| | | 162,596 | | 57,191 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 6 | 423,046 | | 293,880 | |
| **NET CURRENT LIABILITIES** | | | (260,450) | | (236,689) |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | (242,550) | | (224,036) |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | 7 | | 1,000 | | 1,000 |
| Retained earnings | 8 | | (243,550) | | (225,036) |
| **SHAREHOLDERS' FUNDS** | | | (242,550) | | (224,036) |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 6th June 2017 and were signed on its behalf by:

S Leontaritis - Director

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016

### 1. STATUTORY INFORMATION

HCi Viocare Clinics UK Limited is a private company, limited by shares , registered in Scotland. 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**
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company incurred net losses of £18,514 and £191,068 for the year ended 31st December 2016 and 2015, respectively and has a retained deficit of £243,550 at 31st December 2016.

The accompanying financial statements do not include any adjustments related to the recoverability or classification of asset-carrying amounts or the amounts and classification of liabilities that may result should the company be unable to continue as a going concern.

**Turnover**
The turnover shown in the profit and loss account represents the sales value of work done in relation to the provision of prosthetic services during the year, exclusive of Value Added Tax.

**Tangible fixed assets**
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

| | |
|---|---|
| Plant and machinery | - 25% straight line. |
| Computer equipment | - 33% reducing balance & 25% straight line. |
| Furniture and fittings | - 33% straight line. |
| Website development | - 25% straight line. |

**Stocks**
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Financial instruments**
Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2015 - 2 ) .

## 4. TANGIBLE FIXED ASSETS

| | Plant and machinery £ | Fixtures and fittings £ | Website development £ | Computer equipment £ | Totals £ |
|---|---|---|---|---|---|
| **COST** | | | | | |
| At 1st January 2016 | 869 | 6,141 | 4,588 | 3,560 | 15,158 |
| Additions | 5,954 | 335 | 4,395 | - | 10,684 |
| At 31st December 2016 | 6,823 | 6,476 | 8,983 | 3,560 | 25,842 |
| **DEPRECIATION** | | | | | |
| At 1st January 2016 | 91 | 967 | 331 | 1,116 | 2,505 |
| Charge for year | 837 | 2,045 | 1,833 | 722 | 5,437 |
| At 31st December 2016 | 928 | 3,012 | 2,164 | 1,838 | 7,942 |
| **NET BOOK VALUE** | | | | | |
| At 31st December 2016 | 5,895 | 3,464 | 6,819 | 1,722 | 17,900 |
| At 31st December 2015 | 778 | 5,174 | 4,257 | 2,444 | 12,653 |

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

| | 31.12.16 £ | 31.12.15 £ |
|---|---|---|
| Trade debtors | 12,363 | 2,078 |
| Amounts owed by group undertakings | 97,837 | 43,816 |
| Other debtors | 17 | 3 |
| Directors' current accounts | 45,879 | - |
| Prepayments and accrued income | 2,600 | 6,397 |
| | 158,696 | 52,294 |

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

| | 31.12.16 £ | 31.12.15 £ |
|---|---|---|
| Trade creditors | 94,938 | 4,462 |
| Amounts owed to group undertakings | 316,629 | 265,859 |
| PAYE & NIC | 9,829 | 5,658 |
| Other creditors | - | 10,001 |
| Directors' current accounts | - | 6,792 |
| Accruals and deferred income | 1,650 | 1,108 |
| | 423,046 | 293,880 |

## 7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 31.12.16 £ | 31.12.15 £ |
|---|---|---|---|---|
| 1,000 | Ordinary | £1 | 1,000 | 1,000 |

## 8. RESERVES

| | Retained earnings £ |
|---|---|
| At 1st January 2016 | (225,036) |
| Deficit for the year | (18,514) |
| At 31st December 2016 | (243,550) |

## 9. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31st December 2016 and 31st December 2015:

| | 31.12.16 £ | 31.12.15 £ |
|---|---|---|
| **S Leontaritis** | | |
| Balance outstanding at start of year | (6,792) | - |
| Amounts advanced | 91,108 | - |
| Amounts repaid | (38,437) | (6,792) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | 45,879 | (6,792) |

## 10. ULTIMATE CONTROLLING PARTY

The controlling party is S Leontaritis.

## 11. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking is HCI Viocare, a company registered in Nevada, USA under file commission number 000-53089. It is listed on the stock exchange under the Over the Counter Bulletin Board ("OTCBB") and the OTC Markets Inc. owned and operated Inter-dealer Quotation System ("OTCQB").

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.