Company Registration No. 04038272 (England and Wales)

A.R.G.C. LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

A.R.G.C. LIMITED

COMPANY INFORMATION

Directors	M Taranissi E Fincham
Secretary	E Fincham
Company number	04038272
Registered office	30 City Road London EC1Y 2AB
Auditor	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB

A.R.G.C. LIMITED

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A.R.G.C. LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The directors present the strategic report for the year ended 31 August 2017.

Fair review of the business

The company had a fairly consistent year despite decreasing turnover by 2% from £23.9 million to £23.3 million and operating profit decreasing from £9.6 million to £9.3 million. At the balance sheet date the company has a healthy net asset position of £1.8 million (2016 - £146k).

Principal risks and uncertainties

The directors' financial risk management objective is to maximise financial assets and minimise financial liabilities without engaging in speculation. The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors and trade debtors.

The main risks arising from the group's financial instruments are as follows:

- Interest rates earned/paid on deposits and overdrafts.

To manage above risks the directors manage the company's finances in such a way as to avoid bank overdrafts situations and put any available funds on deposit to maximise credit interest without compromising business activities.

Key performance indicators

The key financial highlights are as follows:

	2017	2016
Turnover	£23,336,002	£23,862,943
Operating profit	£9,269,963	£9,567,030
Profit before tax	£9,276,070	£9,580,142

On behalf of the board

M Taranissi
Director
30 May 2018

A.R.G.C. LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The directors present their annual report and financial statements for the year ended 31 August 2017.

Principal activities

The principal activity of the company continued to be that of providing reproduction and gynaecological medical services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M Taranissi
E Fincham

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £6,500,000 (2016: £9,000,000) The directors do not recommend payment of a final dividend.

Future developments

The directors aim to exercise and maintain the management policies which have benefited in the company's performance and aims to continue the plans of expansion where opportunities arise.

Auditor

The auditor, Arram Berlyn Gardner LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

A.R.G.C. LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

M Taranissi
Director
30 May 2018

A.R.G.C. LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF A.R.G.C. LIMITED

Opinion

We have audited the financial statements of A.R.G.C. Limited (the 'company') for the year ended 31 August 2017 set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2017 and of its profit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 auditor's 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.

Julie Piper FCA (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner LLP

30 May 2018

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

A.R.G.C. LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	2016 £
Turnover	3	23,336,002	23,862,943
Cost of sales		(11,582,087)	(11,662,703)
Gross profit		11,753,915	12,200,240
Administrative expenses		(2,483,952)	(2,633,210)
Operating profit	4	9,269,963	9,567,030
Interest receivable and similar income	6	6,107	13,112
Profit before taxation		9,276,070	9,580,142
Tax on profit	7	(1,107,160)	(1,001,533)
Profit for the financial year		8,168,910	8,578,609

The Income Statement has been prepared on the basis that all operations are continuing operations.

A.R.G.C. LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2017

		2017		2016	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Goodwill	**9**		1,122,521		1,188,552
Tangible assets	**10**		286,765		288,623
Investments	**11**		1		1
			1,409,287		1,477,176
Current assets					
Stocks	**13**	155,727		205,113	
Debtors	**14**	323,632		553,146	
Cash at bank and in hand		6,518,642		7,336,732	
		6,998,001		8,094,991	
Creditors: amounts falling due within one year	**15**	(6,569,296)		(9,404,314)	
Net current assets/(liabilities)			428,705		(1,309,323)
Total assets less current liabilities			1,837,992		167,853
Provisions for liabilities	**17**		(22,686)		(21,457)
Net assets			1,815,306		146,396
Capital and reserves					
Called up share capital	**20**		1,000		1,000
Profit and loss reserves			1,814,306		145,396
Total equity			1,815,306		146,396

The financial statements were approved by the board of directors and authorised for issue on 30 May 2018 and are signed on its behalf by:

M Taranissi
Director

Company Registration No. 04038272

A.R.G.C. LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 September 2015		1,000	566,787	567,787
Year ended 31 August 2016:				
Profit and total comprehensive income for the year		-	8,578,609	8,578,609
Dividends	**8**	-	(9,000,000)	(9,000,000)
Balance at 31 August 2016		1,000	145,396	146,396
Year ended 31 August 2017:				
Profit and total comprehensive income for the year		-	8,168,910	8,168,910
Dividends	**8**	-	(6,500,000)	(6,500,000)
Balance at 31 August 2017		1,000	1,814,306	1,815,306

1 Accounting policies

Company information

A.R.G.C. Limited is a private company limited by shares incorporated in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB. The principal place of business is 13 Upper Wimpole Street, London, W1G 6LP.

1.1 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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of ARGC Topco Limited. These consolidated financial statements are available from its registered office, 30 City Road, EC1Y 2AB.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for medical services.

1 Accounting policies **(Continued)**

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 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:

Land and buildings Leasehold	over the life of the lease
Fixtures, fittings & equipment	25% 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.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 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 statement of financial position 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 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Basic financial liabilities

Basic financial liabilities, including 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. Financial liabilities classified as payable within one year are not amortised.

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

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 recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the 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.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 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.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Judgements and key sources of estimation uncertainty **(Continued)**

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Amortisation of goodwill

Determining the period over which goodwill is amortised requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017	2016
	£	£
Turnover analysed by class of business		
Medical services	23,336,002	23,862,943

	2017	2016
	£	£
Other significant revenue		
Interest income	6,107	13,112

4 Operating profit

	2017	2016
Operating profit for the year is stated after charging:	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	23,700	26,100
Depreciation of owned tangible fixed assets	90,984	76,880
Amortisation of intangible assets	66,031	66,031
Cost of stocks recognised as an expense	7,306,273	7,654,012
Operating lease charges	688,418	672,780

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017	2016
	Number	**Number**
Administrative	22	22
Medical	46	45
	68	67

Their aggregate remuneration comprised:

	2017	2016
	£	**£**
Wages and salaries	2,985,300	2,960,985
Social security costs	334,506	318,443
Pension costs	15,035	13,871
	3,334,841	3,293,299

6 Interest receivable and similar income

	2017	2016
	£	**£**
Interest income		
Interest on bank deposits	6,107	13,112

7 Taxation

	2017	2016
	£	**£**
Current tax		
UK corporation tax on profits for the current period	1,105,931	995,010
Adjustments in respect of prior periods	-	4,461
Total current tax	1,105,931	999,471
Deferred tax		
Origination and reversal of timing differences	2,421	2,062
Changes in tax rates	(1,192)	-
Total deferred tax	1,229	2,062
Total tax charge	1,107,160	1,001,533

7 Taxation **(Continued)**

The headline rate of Corporation Tax fell from April 2017 to 19% from the previous rate of 20%

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017	2016
	£	£
Profit before taxation	9,276,070	9,580,142
Expected tax charge based on the standard rate of corporation tax in the UK of 19.58% (2016: 20.00%)	1,816,255	1,916,028
Tax effect of expenses that are not deductible in determining taxable profit	29	930
Adjustments in respect of prior years	-	4,461
Effect of change in corporation tax rate	76	-
Depreciation add back	17,815	15,376
Capital allowances	(18,827)	(18,280)
Group loss relief	(709,417)	(919,044)
Deferred tax adjustment	1,229	2,062
Taxation charge for the year	1,107,160	1,001,533

8 Dividends

	2017	2016
	£	£
Interim paid	6,500,000	9,000,000

9 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 September 2016 and 31 August 2017	1,320,614
Amortisation and impairment	
At 1 September 2016	132,062
Amortisation charged for the year	66,031
At 31 August 2017	198,093
Carrying amount	
At 31 August 2017	1,122,521
At 31 August 2016	1,188,552

10 Tangible fixed assets

	Land and buildings Leasehold	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 September 2016	275,474	1,237,641	1,513,115
Additions	13,565	75,561	89,126
At 31 August 2017	289,039	1,313,202	1,602,241
Depreciation and impairment			
At 1 September 2016	220,463	1,004,029	1,224,492
Depreciation charged in the year	9,071	81,913	90,984
At 31 August 2017	229,534	1,085,942	1,315,476
Carrying amount			
At 31 August 2017	59,505	227,260	286,765
At 31 August 2016	55,011	233,612	288,623

11 Fixed asset investments

	Notes	2017 £	2016 £
Investments in subsidiaries	12	1	1

12 Subsidiaries

Details of the company's subsidiaries at 31 August 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
London Fertility Centre Limited	30 City Road, EC1Y 2AB, England	Property investment	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
London Fertility Centre Limited	-	(344,799)

13 Stocks

	2017	2016
	£	£
Finished goods and goods for resale	155,727	205,113

14 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	129,685	289,285
Other debtors	67,649	65,007
Prepayments and accrued income	126,298	198,854
	323,632	553,146

15 Creditors: amounts falling due within one year

		2017	2016
	Notes	£	£
Bank loans and overdrafts	16	389,215	1,331,949
Trade creditors		1,383,255	1,712,134
Amounts due to group undertakings		3,391,513	4,357,780
Corporation tax		877,474	571,544
Other taxation and social security		79,048	87,067
Other creditors		26,770	911,489
Accruals and deferred income		422,021	432,351
		6,569,296	9,404,314

16 Loans and overdrafts

	2017	2016
	£	£
Bank overdrafts	389,215	1,331,949
Payable within one year	389,215	1,331,949

17 Provisions for liabilities

		2017	2016
	Notes	£	£
Deferred tax liabilities	18	22,686	21,457

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017	Liabilities 2016
Balances:	**£**	**£**
Accelerated capital allowances	22,686	21,457

	2017
Movements in the year:	**£**
Liability at 1 September 2016	21,457
Other	1,229
Liability at 31 August 2017	22,686

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

19 Retirement benefit schemes

	2017	2016
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	15,035	13,871

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital

	2017	2016
	£	**£**
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	1,000	1,000

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017	2016
	£	£
Within one year	452,328	639,128
Between two and five years	1,531,389	1,690,389
In over five years	1,894,394	2,187,722
	3,878,111	4,517,239

22 Related party transactions

The following amounts were outstanding at the reporting end date:

	2017	2016
Amounts owed to related parties	£	£
Key management personnel	24,400	909,217
	24,400	909,217

No guarantees have been given or received.

The company has taken advantage of the exemption available in FRS 102 section 33 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

23 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

Description	% Rate	Opening balance	Amounts advanced	Amounts repaid	Closing balance
		£	£	£	£
Directors loan	-	(909,217)	3,334,650	(2,449,833)	(24,400)
		(909,217)	3,334,650	(2,449,833)	(24,400)

24 Controlling party

The ultimate parent company is ARGC Topco Limited, a company registered in England & Wales.

ARGC Topco Limited prepares group financial statements and copies can be obtained from 30 City Road, London, EC1Y 2AB.