

Registered number: 02849324

Nuffield Health Wellbeing Limited

Annual Report and Financial Statements

For the year ended 31 December 2018



Nuffield Health Wellbeing Limited

Company Information

Directors
C Blackwell-Frost
G L Burton (resigned 21 September 2018)
J A Dillon (appointed 21 September 2018)

Company secretary T Newman

Registered number 02849324

Registered office
Epsom Gateway
Ashley Avenue
Epsom
Surrey
KT18 5AL

Nuffield Health Wellbeing Limited

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Nuffield Health Wellbeing Limited

Directors' report For the year ended 31 December 2018

The directors present their Annual report and the audited financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of the Company is that of an agency company managing leased properties for the operation of health clubs and leisure facilities.

Business review

The trading results of the year and the Company's financial position at the end of the year are shown in the attached financial statements. There has been no change in the Company's operations in the year and no change is expected in the foreseeable future.

The implications of leaving the EU remain uncertain, impacting the economy and consumer confidence and Brexit could lead to some major businesses moving overseas. To date this has not been problematic for the Company.

Results and dividends

The loss for the year, after taxation, amounted to £2,081 (2017 - loss £9,447).

The directors do not propose a dividend for the year (2017 - £Nil).

Directors

The directors who have served during the year, and to the time of signing these accounts, unless otherwise stated, were:

C Blackwell-Frost

G L Burton (resigned 21 September 2018)

J A Dillon (appointed 21 September 2018)

No director had any interest in the share capital of the Company or any other group company.

Going concern

The Company operates as an agency company, working on behalf of its ultimate parent company Nuffield Health.

The directors note that the Company's Statement of financial position is in a net liability position of £30,949,186 and as such have considered the going concern basis of these financial statements. The directors have concluded that a material uncertainty exists, which casts significant doubt upon the Company's ability to continue as a going concern. This matter is further disclosed in accounting policy 2.3.

Events after the balance sheet date

There have been no significant events after the reporting period (see Note 18).

Auditor

Under s487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Nuffield Health Wellbeing Limited

**Directors' report (continued)
For the year ended 31 December 2018**

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by s415A of the Companies Act 2006.

This report was approved by the board on 24 September 2019 and signed on its behalf.



J A Dillon
Director

Nuffield Health Wellbeing Limited

**Directors' responsibilities statement
For the year ended 31 December 2018**

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), including FRS 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

Nuffield Health Wellbeing Limited

Independent auditor's report to the members of Nuffield Health Wellbeing Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Nuffield Health Wellbeing Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and retained earnings;
- the statement of financial position; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

Material uncertainty related to going concern

We draw attention to Note 2.3 in the financial statements, which indicates that the Company's statement of financial position is in a net liability position of £30,949,186 at the end of the year. As stated in Note 2.3, these events or conditions, along with the other matters as set forth in Note 2.3 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Nuffield Health Wellbeing Limited

Independent auditor's report to the members of Nuffield Health Wellbeing Limited

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 respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the directors' report.

Nuffield Health Wellbeing Limited

Independent auditor's report to the members of Nuffield Health Wellbeing Limited

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our 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.



Jonathan Gooding (Senior statutory auditor)

For and on behalf of

Deloitte LLP

Statutory auditor

St Albans
UK

Date: 25 SEPTEMBER 2019

Nuffield Health Wellbeing Limited

**Statement of income and retained earnings
For the year ended 31 December 2018**

	Note	2018 £	2017 £
Turnover		-	-
Gross profit		-	-
Interest receivable and similar income	6	34,500	22,553
Interest payable and similar expenses	7	(36,581)	(32,000)
Loss before tax		(2,081)	(9,447)
Tax on loss	8	-	-
Loss after tax		(2,081)	(9,447)
Retained earnings at the beginning of the year		(30,999,069)	(30,989,622)
Loss for the year		(2,081)	(9,447)
Retained earnings from continuing operations at the end of the year		(31,001,150)	(30,999,069)

All results derive from continuing operations.

The notes on pages 9 to 16 form part of these financial statements.

Nuffield Health Wellbeing Limited
Registered number: 02849324

Statement of financial position
As at 31 December 2018

	Note	2018 £	2017 £
Non current assets			
Investments	9	-	-
Current assets			
Debtors	10	963,961	961,872
Cash at bank and in hand	11	356	280
		<u>964,317</u>	<u>962,152</u>
Creditors: amounts falling due within one year	12	(31,639,613)	(31,635,367)
Net current liabilities		<u>(30,675,296)</u>	<u>(30,673,215)</u>
Total assets less current liabilities		<u>(30,675,296)</u>	<u>(30,673,215)</u>
Creditors: amounts falling due after more than one year	13	(273,890)	(273,890)
Net liabilities		<u><u>(30,949,186)</u></u>	<u><u>(30,947,105)</u></u>
Capital and reserves			
Called up share capital	14	1,637	1,637
Share premium account	15	50,327	50,327
Profit and loss account	15	(31,001,150)	(30,999,069)
		<u><u>(30,949,186)</u></u>	<u><u>(30,947,105)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 September 2019.



J A Dillon
Director

The notes on pages 9 to 16 form part of these financial statements.

Nuffield Health Wellbeing Limited

Notes to the financial statements For the year ended 31 December 2018

1. General information

Nuffield Health Wellbeing Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered address of the Company is Epsom Gateway, 2 Ashley Avenue, Epsom, Surrey, KT18 5AL, United Kingdom.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in GBP and in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. The preparation of financial statements in compliance with FRS 102 requires management to exercise judgement in applying the Company's accounting policies (see Note 3).

The Company is exempt from preparing consolidated financial statements as it is an intermediate holding company whose parent, Nuffield Health, prepares consolidated accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group. This is in accordance with the Companies' Act 2006.

The Company's presentation currency is Pounds Sterling. All financial information has been rounded to the nearest pound in these financial statements.

The following principal accounting policies have been applied:

2.2 Reduced disclosure exemption

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

- the requirements of s7 Statement of Cash Flows;
- the requirement of s3 Financial Statement Presentation paragraph 3.17(d);
- the requirement of s33 Related Party Disclosures paragraph 33.7;
- financial instrument disclosures including:
 - categories of financial instruments,
 - items of incomes, expenses, gains or losses relating to financial instruments, and
 - exposure to and management of financial risks.

This information is included in the consolidated financial statements of Nuffield Health as at 31 December 2018 and these financial statements may be obtained from Companies House or obtained as set out in Note 17.

Nuffield Health Wellbeing Limited

Notes to the financial statements For the year ended 31 December 2018

2. Accounting policies (continued)

2.3 Going concern

As described in the Directors report, the Company's Statement of financial position is in a net liability position of £30,949,186 consisting primarily of amounts owed to group undertakings and the Company is reliant upon the ultimate parent undertaking providing financial support. However, the directors have no undertaking that this support will be forthcoming in the future.

The directors have concluded that this represents a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to realise its assets and fully discharge its liabilities in the normal course of business. Nevertheless after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Company will have adequate resources to continue in existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Interest receivable and similar income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.5 Interest payable and similar expenses

Finance costs are charged to the Statement of income and retained earnings 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.

2.6 Taxation

Tax is recognised in the Statement of income and retained earnings, 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 reporting date in the countries where the Company operates and generates income.~~

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in subsidiaries are reviewed if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment testing is based on comparing the carrying amount of the investment with the net assets of the subsidiary.

2.8 Cash at bank and in hand

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.

Nuffield Health Wellbeing Limited

**Notes to the financial statements
For the year ended 31 December 2018**

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instrument 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.

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 income and retained earnings.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

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

Accounting policies have been applied in accordance with FRS 102. In the application of the company's accounting policies, which are described in Note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future periods if the revision affects both current and future years.

There have been no significant judgements or estimations made in these accounts.

4. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements amounted to £2,000 (2017 - £2,000).

The audit fee relating to the audit of the Company is borne by another group company.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the parent company.

5. Staff costs

The Company has no employees other than the directors in either year. The remuneration charge for the year was £Nil (2017 - £Nil).

Nuffield Health Wellbeing Limited

**Notes to the financial statements
For the year ended 31 December 2018**

6. Interest receivable and similar income

	2018 £	2017 £
Interest receivable from group companies	<u>34,500</u>	<u>22,553</u>

7. Interest payable and similar expenses

	2018 £	2017 £
Loans from group undertakings	<u>36,581</u>	<u>32,000</u>
	<u>36,581</u>	<u>32,000</u>

8. Taxation

	2018 £	2017 £
Total current tax	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
Loss before tax	<u>(2,081)</u>	<u>(9,447)</u>
Loss multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%)	(395)	(1,819)
Effects of:		
Group relief not paid for	(161,364)	(179,721)
Imputed interest	<u>161,759</u>	<u>181,540</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

Changes in the UK corporation tax rates were substantively enacted as part of the Finance Bill 2016. These include reductions to the main rate to reduce the rate of tax to 17% from 1 April 2020.

**Notes to the financial statements
For the year ended 31 December 2018**

9. Investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2018	36,643,000
At 31 December 2018	<u>36,643,000</u>
Impairment	
At 1 January 2018	36,643,000
At 31 December 2018	<u>36,643,000</u>
Net book value	
At 31 December 2018	<u>-</u>
At 31 December 2017	<u>-</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Archer Leisure Limited	United Kingdom	Ordinary	100%
Cannons Adventures Limited	United Kingdom	Ordinary	100%
Centre Court Tennis Limited	United Kingdom	Ordinary	100%

The registered address of the above subsidiary undertakings is Epsom Gateway, 2 Ashley Avenue, Epsom, Surrey, KT18 5AL.

Nuffield Health Wellbeing Limited

**Notes to the financial statements
For the year ended 31 December 2018**

10. Debtors

	2018 £	2017 £
Trade debtors	-	16,184
Amounts owed by group undertakings	963,291	928,690
Other debtors	670	16,998
	<u>963,961</u>	<u>961,872</u>

Included within amounts owed from group undertakings are balances of £1,242,758 (2017 - £953,808), before balance sheets adjustments of £318,761 (2017 - £133,192) that are unsecured, repayable on demand, with interest payable at 2.5% above base rate.

All other amounts owed from group undertakings are unsecured, interest free and repayable on demand.

11. Cash at bank and in hand

	2018 £	2017 £
Cash at bank and in hand	<u>356</u>	<u>280</u>

12. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	-	73,647
Amounts owed to fellow subsidiary undertakings	31,521,170	31,484,589
Amounts owed to own subsidiary undertakings	76,195	76,195
Other taxation and social security	41,312	-
Other creditors	266	266
Accruals and deferred income	670	670
	<u>31,639,613</u>	<u>31,635,367</u>

Included within amounts owed to fellow subsidiary undertakings are balances of £1,214,787 that are unsecured, repayable on demand, with interest payable at 2.5% above base rate.

All other amounts owed to fellow and own subsidiary undertakings are unsecured, interest free and repayable on demand.

Nuffield Health Wellbeing Limited

**Notes to the financial statements
For the year ended 31 December 2018**

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

	2018 £	2017 £
Share capital treated as debt	273,890	273,890
	<u>273,890</u>	<u>273,890</u>

In accordance with FRS 102 the 201,309 Deferred A shares and 72,581 Deferred B shares of £1 each have been classified as long term creditors. The deferred shares carry no voting rights and have no redemption entitlement. The shares entitle the holders to a fixed cumulative dividend of 5% of their nominal value for any financial year in which the net profits available for dividend exceed £25,000,000,000. On winding up the holders are entitled to receive repayment of capital in priority of all other classes of shares.

14. Share capital

All shares have the same rights and rank pari passu with each other.

	2018 £	2017 £
Shares classified as equity		
Allotted, called up and fully paid		
201,309 (2017 - 201,309) Ordinary A shares of \$0.01 each	1,314	1,314
49,399 (2017 - 49,399) Ordinary B shares of \$0.01 each	323	323
	<u>1,637</u>	<u>1,637</u>

	2018 £	2017 £
Shares classified as debt		
Allotted, called up and fully paid		
201,309 (2017 - 201,309) Deferred A Shares shares of £1.00 each	201,309	201,309
72,581 (2017 - 72,581) Deferred B Shares shares of £1.00 each	72,581	72,581
	<u>273,890</u>	<u>273,890</u>

Nuffield Health Wellbeing Limited

**Notes to the financial statements
For the year ended 31 December 2018**

15. Reserves

Share premium account

The share premium of £50,327 (2017 – £50,327) includes any share premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Profit and loss account includes all current and prior period retained profits and losses.

16. Related party transactions

The Company is a wholly owned subsidiary of Cannons Group Limited and its results and net assets are included in the consolidated financial statements of Nuffield Health, its ultimate parent undertaking.

In accordance with s33 of FRS 102 the Company is not required to disclose transactions entered into between two or more members of a group, where the subsidiary which is party to the transaction is wholly owned by such a member.

17. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Cannons Group Limited. The Company's ultimate parent undertaking is Nuffield Health, a company incorporated in England and Wales and limited by guarantee and a registered charity number 205533.

The largest and smallest group of undertakings for which group financial statements are drawn up are headed by Nuffield Health.

The financial statements for Nuffield Health can be obtained from the company secretary at the registered office, Nuffield Health, Epsom Gateway, 2 Ashley Avenue, Epsom, Surrey KT18 5AL.

18. Events after the reporting period

There have been no significant events after the reporting period.