

Copenhagen Midco Limited

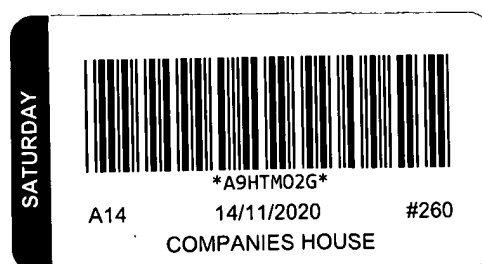
Financial Statements

Information for filing with the Registrar

For the period from 19 November 2018 to

31 December 2019

Company Number 11685804



Copenhagen Midco Limited

Company Information

Directors	J O S Belgrave P G Fredericks K L Cook
Registered number	11685804
Registered office	Unit 5, Bridge Park Merrow Lane Guildford Surrey GU4 7BF
Independent Auditors	PricewaterhouseCoopers LLP Savannah House 3 Ocean Way Southampton SO14 3TJ

Copenhagen Midco Limited
Registered number: 11685804

Balance sheet
As at 31 December 2019

	Note	2019 £
Fixed Assets		
Investments	9	431,629
Current assets		
Debtors	10	21,662,036
Total current assets		<u>21,662,036</u>
Creditors: amounts falling due within one year	11	(206,277)
Net current liabilities		<u>21,455,759</u>
Total assets less current liabilities		<u>21,887,388</u>
Creditors: amounts falling due after more than one year	12	(22,435,883)
Net liabilities		<u>(548,495)</u>
Capital and reserves		
Share capital	15	431,629
Accumulated losses	16	(980,124)
Total equity		<u>(548,495)</u>


The notes on pages 5 to 11 form part of these financial statements.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A – small entities.

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

The company has opted not to file the consolidated statement of comprehensive income in accordance with the provisions applicable to companies subject to the small companies' regime.

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


J O S Belgrave
Director

30 Oct 20

Copenhagen Midco Limited

Statement of changes in equity For the period from 19 November 2018 to 31 December 2019

	Share capital	Accumulated Losses	Total equity
	£	£	£
At 19 November 2018	-	-	-
Shares issued during the period	431,629	-	431,629
Total transactions with owners	<u>431,629</u>	<u>-</u>	<u>431,629</u>
Loss for the financial period	-	(980,124)	(980,124)
Total comprehensive expense for the period	<u>-</u>	<u>(980,124)</u>	<u>(980,124)</u>
 At 31 December 2019	 <u>431,629</u>	 <u>(980,124)</u>	 <u>(548,495)</u>

Copenhagen Midco Limited

Notes to the financial statements For the period from 19 November 2018 to 31 December 2019

1. General information

Copenhagen Midco Limited ("the Company") is a debt holding company.

Copenhagen Midco Limited is a private company incorporated in the United Kingdom under the Companies Act. It is a company limited by shares which is registered in England. The address of the registered office is Unit 5, Bridge Park, Merrow Lane, Guildford, Surrey, GU4 7BF.

2. Accounting policies

2.1 Basis of preparation of financial statements

The individual financial statements of Copenhagen Topco Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006. This includes early adoption of the amendments to FRS 102 (issued December 2017 – triennial review). These are the first set of financial statements which conform to FRS 102. The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A – small entities.

The financial period of the Company was extended from 20 November 2019 to 31 December 2019.

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.2 Going concern

The Directors have prepared the financial statements on a going concern basis.

Before confirming the appropriateness of the going concern basis of preparation, the Directors reviewed and considered the following:

- The Company and its Group's latest cash flow forecasts going out beyond 12 months from the date of signing the accounts. These are based on the Directors' collective view of likely trading conditions underpinned by a prudent assessment of the performance of the economies in which they will operate over that period including severe and plausible possible downside scenarios. They have also considered the impact of COVID-19 in this.
- The strength of the Group's and the Company's balance sheets in this context.
- The level of cash held by the Group and Company and access to further third party debt.

Given the matters described above, the Directors believe that the Group and the Company have the resources required to settle all liabilities as they fall due for the foreseeable future and there are no material uncertainties surrounding this. Accordingly, the financial statements have been prepared on a going concern basis.

2.3 Interest receivable and similar expenses

Interest receivable and similar expenses is recognised in the statement of comprehensive income using the effective interest method.

2.4 Interest payable and similar expenses

Interest payable and similar expenses are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated debt instrument, and included in the effective interest calculation.

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Notes to the financial statements For the period from 19 November 2018 to 31 December 2019

2. Accounting policies (continued)

2.5 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the financial period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.6 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the period in which they fall due.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Debtors

Short term debtors are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method, less provision for impairment.

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Notes to the financial statements For the period from 19 November 2018 to 31 December 2019

2.9 Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including debtors and amounts owed from group companies, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 the statement of comprehensive income.

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 the statement of comprehensive income.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the profit and loss account, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including creditors and amounts owed to group companies, listed loan notes and loan notes, 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 receipts discounted at a market rate of interest.

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of

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Notes to the financial statements For the period from 19 November 2018 to 31 December 2019

2.9 Financial instruments (continued)

derivatives are recognised in the profit and loss in Interest payable and similar expenses or income as appropriate.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They 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.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The fair value of foreign exchange rate forward contracts is the estimated amount that the Company would receive or pay to terminate the contract at the balance sheet date. At 31 December 2019, there were no open forward contracts.

Offsetting

Financial assets and liabilities are offset and 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.

2.10 Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

2.11 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.12 Reserves

The share premium reserve relates to amounts paid for share capital in excess of nominal value. The accumulated losses represents profit and losses net of dividends paid and other adjustments.

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Notes to the financial statements For the period from 19 November 2018 to 31 December 2019

3. Employees and Directors

Employees

The Company had no employees during the period from 19 November 2018 to 31 December 2019.

4. Investments

Investments
in subsidiary
companies
£

Cost and net book value

At 19 November 2018

Additions

At 31 December 2019

431,629

431,629

5. Debtors

2019
£

Amounts falling due within one year

Intercompany loans

Other amounts owed by group undertakings

17,109,889

4,552,147

21,662,036

£17,109,889 is accruing interest at a rate of 10% per annum and is repayable on demand. The remaining £4,552,147 is due from other group companies and is unsecured, interest free, has no fixed date of repayment and is repayable on demand.

6. Creditors: Amounts falling due within one year

2019
£

Trade creditors

Amounts owed to group undertakings

600

205,677

206,277

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

7. Creditors: Amounts falling due after more than year

2019
£

Accrued loan note interest

Loan Notes (see note 13)

2,573,901

19,861,982

22,435,883

The amount of secured liabilities was £Nil.

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Notes to the financial statements For the period from 19 November 2018 to 31 December 2019

8. Loans and other borrowings

	2019 £
Listed loan notes	17,609,889
Management loan notes	2,252,093
	<u>19,861,982</u>

Listed loan notes

The Company's financing facility includes a listed loan note facility of up to £18,000,000. The loan notes accrue interest at 12%, accrued monthly. The capital is due for repayment in full on 15 June 2026. The loan notes are listed on The International Stock Exchange.

Management loan notes

The loan notes were issued on 13 December 2018 to senior staff and shareholders of Hallmarq Veterinary Imaging Limited as consideration for their shares on acquisition by a fellow group company. Interest accrues at 10% per annum and is payable on 15 June 2026.

9. Contingent liabilities

HSBC Bank plc has a fixed charge over the shares that the Company holds in Copenhagen Finco Limited as security for banking services provided to Copenhagen Finco Limited. This amounts to 4,316,292 shares of 10p each.

10. Capital and other commitments

The Company had no capital commitments at 31 December 2019.

11. Controlling party

The company is not controlled by any one ultimate entity.

12. Auditor's information

The auditor's report on the financial statements for the period ended 31 December 2019 was unqualified.

The audit report was signed on 28 August 2020 by Jo Jones (Senior Statutory Auditor) on behalf of PricewaterhouseCoopers LLP.