

UNION DIAGNOSTICS & CLINICAL SERVICES PLC

CORPORATE INFORMATION

DIRECTORS	Chairman
Ambassador S.A. Adeniyi	Managing Director
Dr. A.G. Allosanyi	Director
Dr. A. Ogunyemi	Director
Mr. A. Akinkoye	
OFFICE ADDRESS:	37, Tejumbodo Street, Yaba, Lagos
NATURE OF BUSINESS	Hospital Services
AUTHORISED SHARE CAPITAL	Ordinary shares of 50K each.
INCORPORATION DATA	RC 937457 of 1989
BANKERS	Zenith Bank PLC Ice Bank PLC
DATE OF COMMENCEMENT	1989
AUDITORS	MBO AUDIT

UNION DIGNOSTICS AND CLINICAL SERVICES PLC

Audited Financial Statement for the year ended 31st December, 2013

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 31ST DECEMBER, 2013

	2013	2012
	₦m	₦m
Revenue	862,508,750	904,213,340
Profit(loss) before taxation	28,416,988	22,085,709
Income tax expenses	- 24,045,444	(27,636,002)
Profit(loss) after Taxation	- 995,903,766	(5,550,293)
Share Capital	1,776,368,264	1,776,368,264
Shareholders' Fund(Deficit)	3,454,348,986	4,450,250,752
Per share data		
EPS(Deduct)	(200K)	(3)
Net asset per share	97 Kobo	126

UNION DIAGNOSTICS AND CLINICAL SERVICES PLC

REPORT OF THE DIRECTORS
The Directors are pleased to submit their report together with the Statement of Financial position as at 31st December 2013 and the statement of comprehensive income for the year ended on that date.

STATE OF AFFAIRS
In the opinion of the Director, the state of the Company's affairs is satisfactory

PRINCIPAL ACTIVITIES
The company is engaged in Hospital Services.

RESULTS	2013	2012
	₦	₦
TURNOVER	862,508,750.00	904,213,340.00
Net profit(loss) for the year	28,416,988.00	22,085,709.00
Taxation	(24,045,444.00)	27,636,002.00
Net profit(loss) after tax	(995,903,766.00)	(5,550,293.00)
Balance brought forward	57,508,803.00	63,055,158.00
Balance as per balance sheet	(938,392,963.00)	57,508,845.00

LEGAL FORM
The Company was incorporated as a private PLC liability Company but now a p.b.

DIVIDENDS
The Directors did not recommend the payment of Dividends for the year

AUDITORS

BY ORDER OF THE BOARD

LAGOS, NIGERIA

SECRETARY

UNION DIAGNOSTICS AND CLINICAL SERVICES

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies and Allied Matters Act requires the directors to prepare the financial statements for each financial year that give a true and fair view of the financial position of the company at the end of the year and of its profit and loss.

The responsibilities include ensuring that the company:

- a) keeps proper accounting records that disclose with reasonable accuracy the financial position of the company and comply with the Companies and Allied Matters Act
- b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities, and
- c) conspires to financial statements using suitable accounting policies, supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the Companies and Allied Matters Act.

The directors accept responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the Companies and Allied Matters Act.

The directors of the company are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit or loss.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements as well as adequate systems of internal financial controls.

Nothing has come to the attention of the directors that indicate that the company may not remain a going concern for at least twelve months from the date of this statement.

..... Director (Date)

..... Director (Date)

REPORT OF THE AUDITORS TO THE

MEMBERS OF UNION DIAGNOSTICS AND CLINICAL SERVICES PLC

We have audited the financial statements of UNION DIAGNOSTICS AND CLINICAL SERVICES PLC, which comprise the Statement of Financial Position as at December, 31 2013, and the Statement of Comprehensive Income, and Statement of Changes in Equity, for the year ended, and notes, comprising a summary of significant accounting policies and other explanatory information as set out on pages 7 to 23.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for the preparation of Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards, in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as management deems necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. It is our responsibility to form an independent opinion based on our audit.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (ISA) and relevant generally accepted auditing standards.

An audit includes the examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Financial Statements and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and conducted our audit so as to obtain all the information and explanation which we considered necessary to provide us with sufficient evidence to give a reasonable assurance that the Financial Statements are free of material misstatements, whether caused by fraud, other irregularity, or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion, these Financial Statements give a true and fair view of the financial position of the Company as at 31st December, 2013 and of the Company's financial performance and cash flow for the ended in accordance with International Financial Reporting Standards in the manner required by the Companies and Allied Matters Act of Nigeria and the Financial Reporting Council of Nigeria Act, 2011.

Report on Other Legal and Regulatory Requirements:

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act of Nigeria

In our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books and company's balance sheet and profit and loss account are in agreement with the books of accounts.

MBO AUDIT AND CONSULT, NIGERIA

LAGOS, NIGERIA
FEBRUARY, 2014

UNION DIAGNOSTICS & CLINICAL SERVICES PLC

Audited Financial Statements for the year ended 31 December, 2013.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER, 2013.

	NOTES	2013 naira	2012 naira
Revenue	4	802,569,730	904,213,340
Direct cost	5	(108,965,772)	(102,939,899)
Gross profit		693,603,958	801,273,441
Administrative expenses	6	(397,661,634)	(315,689,722)
Operating profit/loss		295,942,324	485,583,719
Finance cost	7	(7,323,430)	(6,559,503)
Profit before tax		288,618,894	479,024,216
Extraordinary Losses	8	(3,000,273,310)	(27,085,708)
Income tax expense	9	(24,045,444)	(27,536,002)
Profit/Loss after tax		(294,660,860)	(25,597,494)

The notes on pages 20 to 22 form part of these financial statements

UNION DIAGNOSTICS & CLINICAL SERVICES PLC

Audited Financial Statements for the year ended 31 December, 2013

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2013

ASSETS	Notes	2013 naira	2012 naira
Non-current asset			
Property, plant and equipment	10	2,846,670,556	4,261,643,272
Long Term Investment		15,400,000	15,400,000
Deferred Expenses		1,836,867	-
CURRENT ASSETS			
Inventory	12	2,562,025	680,180
Trade and other receivables	11	836,558,823	582,240,223
Cash and cash equivalents	13	(102,139,610)	(135,179,782)
Total Assets		3,584,558,801	5,324,303,800
EQUITY AND LIABILITIES			
Equity			
Issued Capital	14	1,776,569,264	1,776,569,264
Share premium		2,616,172,023	2,616,172,023
Reserve reserve	15	(888,392,481)	(8,268,860)
		3,454,348,806	4,450,250,752
CURRENT LIABILITIES			
Trade and other payables	16	297,621,278	504,009,625
Company Taxation		(41,661,466)	(6,061,385)
Long Term Liabilities		339,392,724	550,092,710
Car Loan	17	-	15,435,120
Total equity and liabilities		3,890,862,856	5,605,341,462

These audited accounts were approved by the management of the company on and signed on its behalf by:-

..... Chairman

..... Director

The notes on pages 20 to 22 form part of these financial statement

UNION DIAGNOSTICS & CLINICAL SERVICES PLC
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2013
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2013

	Share capital	Retained earnings	Share Premium	Total equity
	£	£	£	£
Balance at 31st December 2012	3,429,500,000	107,000,000	2,616,172,833	6,152,672,833
Profit for the year		(905,961,796)		
Total comprehensive income for the year		(905,961,796)		(905,961,796)
Balance at 31st December 2013	3,429,500,000	17,038,204	2,616,172,833	6,122,710,037

UNION DIAGNOSTIC & CLINICAL SERVICES PLC AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013 STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2013				
	£	2012	£	2012
Cash flow from Operating Activities				
Profit/(Loss) for the period before taxation	28,414,368		22,085,709	
Adjustments for:				
Depreciation	162,709,566		181,966,589	
Cashflow before changes in working capital	191,123,934		204,052,298	
(Increase)/Decrease in inventories	(1,883,845)		193,940,072	
(Increase)/Decrease in trade receivables	(234,268,710)		2,962,095,668	
Increase/(Decrease) in trade payables	268,882,642		1,686,206,688	
	(56,412,749)		2,854,801,418	
Interest paid	12,633,486			
Income taxes paid	(27,654,132)		(31,750,000)	
Net cash from operative activities		107,013,707		2,823,051,418
Cash flow from Investing activities				
Purchase of property, plant and equipment	(313,513,128)	-	(3,135,512,161)	
Proceeds from sale of property, plant and equipment	575,210,208			
Net cash used in investiture activities		261,697,080		(3,135,512,161)
Cash flow from Financing Activities				
Borrowings	15,411,120	-	-	
Net cash used in financing activities		(15,411,120)		(27,654,761)
Net increase/(decrease) in cash and cash equivalents		(12,980,393)		(136,115,504)
Cash and cash equivalent at 1st January		136,379,787		495,204,490
Cash and cash equivalent at 31st December		123,399,394		359,088,986

The notes on pages 13 to 23 form part of these financial statements.

UNION DIAGNOSTICS & CLINICAL SERVICES PLC
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2013

- 1 Reporting entity**
Union Diagnostics & Clinical Services Ltd was incorporated in regard to 1990.
The company is involved in hospital services, as an accounting year, it is a PLC.
- 2 Basis of preparation**
 - (a) Statement of compliance**
The financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS).
 - (b) Basis of measurement**
The financial statements have been prepared on the historical cost basis.
 - (c) Functional and presentation currency**
These financial statements are presented in euro, which is the company's functional currency.
 - (d) Use of estimates and judgements**
The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expense. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Significant accounting policies
The accounting policies set out below have been applied consistently to all periods presented in these financial statements

(a) Property, plant and equipment

i. Recognition and measurement
Items of property, plant and equipment are measured at cost less accumulated depreciation.

ii. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the company. Ongoing repairs and maintenance are expensed as incurred.

iii. Depreciation

Depreciation is calculated so as to write off the cost of non-current assets over their estimated useful lives and operational lives at the following annual rates:

Land and Building	3.25%
Motor Vehicles	30%
Furniture and Fixings	10%
Equipment and plants	5%

(c) Inventories

Inventories are valued at the lower of cost and net realisable value.

(d) Revenue

Revenue represents the value of services provided to third parties during the year. The company recorded a total turnover of **RM2,568,730**

(f) Income tax

Income tax expense comprises current tax. Current tax is recognised in profit or loss. Current tax is the expected tax payable or refundable on the taxable income or loss for the year, using tax rates (including credits) enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

UNION DIAGNOSTICS & CLINICAL SERVICES PLC

Audited Financial Statements for the year ended 31 December 2013

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	R	R
4 REVENUE	RM 2,568,730	RM 2,141,340
5 DIRECT COST	RM 958,503	RM 729,588
6 ADMINISTRATIVE EXPENSES		
Directors' expenses	8,712,580	22,560,237
Wages/salaries	312,348,069	274,254,012
Rent & Rates	20,105,352	18,328,284
Office Expenses	15,849,142	-
Printing & Stationery	4,518,280	2,942,600
Telephone / Postages	5,013,174	6,312,786
P.R.&Advertisement	-	1,402,000
Maintenance & Repairs	23,959,680	1,829,400
Medical Expenses	2,292,000	-
Transport / Travelling	26,390,370	2,842,000
Electricity & Other	12,251,772	951,051
Advert	2,653,325	-
Subscription	1,846,178	654,000
Professional Expenses	-	30,000
AGM expenses	1,462,020	-
Staff welfare	6,249,686	1,868,641
Professional/legal fees	2,249,000	-
Audit fees	800,000	800,000
Depreciation	342,528,866	182,252,466
	RM 7,512,601	RM 215,127,727
7 FINANCE COST		
Interest Expense	1,568,047	-
Bank Charges	2,817,008	6,109,100
	RM 4,385,055	RM 6,109,100
8 Extraordinary losses		
These represent losses made on assets that were sold at forced sales during the year as a result of exigencies and losses on obsolete and non-current trading assets that the Company recognised from its book during the year		
9 TAXATION		
Balance b/f	46,063,085	18,447,061
Payment	28,447,084	-
Company Income Tax for the year	20,123,001	21,569,076
Eduction Tax for the year	3,622,448	4,566,026
Balance c/f	RM 40,139,448	RM 44,582,163
11 TRADE & OTHER RECEIVABLE		
Debtors	36,443,280	7,054,218
Staff advances/advances	154,120	989,889
Amount owed by related Companies	681,305,345	458,899,217
Other Debtors	158,548,286	118,548,286
	RM 836,450,931	RM 685,491,410
Cash/Bank	102,128,459	1,35,379,787
	RM 2,162,079	RM 880,180
12 AUTHORIZED SHARE CAPITAL		
12.1 6,500,000 Ordinary shares of RM.00 each		
16 ISSUED AND PAID UP SHARE CAPITAL		
6,500,000 Ordinary shares of RM.00 each	1,776,568,264	1,776,568,264
Share premium	2,468,324,861	2,468,324,861
TOTAL	4,244,893,125	4,244,893,125
15 REVENUE RESERVE		
Retained profit b/f	17,508,885	61,059,158
Profit/Loss for the year	18,839,066	14,681,020
Retained Profit c/f	RM 36,347,951	RM 75,740,178
16 TRADE & OTHER PAYABLES		
Creditors	207,821,278	407,222,639
Accruals	104,498,768	35,789,096
	RM 312,320,046	RM 443,011,735
17 Long Term Loan		
Car Loan	16,492,180	-
18 Subsequent events		
There are no subsequent events, which could have had a material effect on the state of affairs of the company as at 31st December 2013 that have not been adequately provided for or disclosed in the accounts		

	Land & Building	Motor Vehicles	Furniture & Fixings	Equipment	Capital work in progress	Total
	R	R	R	R	R	R
COST						
Balance as at 1st January 2013	1,106,800,340	68,114,960	11,416,680	1,318,446,125	411,845,400	5,136,648,505
Additions	41,906,000	20,778,100	3,861,000	287,286,426	0	723,531,126
Disposals	(800,000,000)	0	0	(673,779,600)	(611,845,400)	(1,485,625,000)
Balance as at 31st December 2013	RM 308,706,340	RM 89,893,060	RM 11,416,680	RM 931,952,951	RM 0	RM 1,342,059,031
DEPRECIATION						
Balance as at 1st January 2013	38,000,000	61,122,178	6,702,800	1,146,275,789	0	1,246,100,767
Depreciation for the year	18,839,066	21,624,992	1,416,680	95,322,311	0	146,803,059
Additions	1,000,000	0	0	100,000	0	1,100,000
Disposals	(100,000,000)	0	0	(18,788,500)	0	(118,788,500)
Balance as at 31st December 2013	RM 56,839,066	RM 82,747,170	RM 8,119,480	RM 1,227,589,590	RM 0	RM 2,474,285,306
CARRYING AMOUNT						
At 1st January 2013	RM 1,068,800,340	RM 7,237,138	RM 4,713,880	RM 2,464,621,905	RM 0	RM 4,545,373,263
At 31st December 2013	RM 251,867,274	RM 172,639,230	RM 3,307,200	RM 804,363,361	RM 0	RM 1,232,176,065