

HealthCare Global (Uganda) Private Limited

Annual report and financial statements
for the year ended March 31 2022

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

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HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Corporate Information

Country of incorporation and domicile	Uganda
Nature of business and principal activities	Healthcare services
Directors	B S Ajaikumar Shrinivasa R Venkatavardhan
Registered office	PO Box 31776 Kampala, Uganda
Holding company	HealthCare Global (Africa) Private Limited incorporated in Mauritius
Ultimate holding company	HealthCare Global Enterprises Limited incorporated in India
Banker	United Bank for Africa (Uganda) Limited PO Box 7396 Kampala, Uganda
Independent auditor	Grant Thornton Certified Public Accountants PO Box 7158 Kampala, Uganda
Secretary	Africa Registrars Limited PO Box 31776 Kampala, Uganda
Tax Identification number	1002285466

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Directors' Report

The directors have the pleasure in submitting their report on the financial statements of HealthCare Global (Uganda) Private Limited ("the Company") for the year ended March 31 2022, which discloses the state of affairs of the Company.

1. Nature of business

The Company is engaged in the business of providing healthcare services and operates principally in Uganda.

There have been no material changes to the nature of the Company's business from the prior year.

2. Review of financial results

Full details of the financial position, results of operations and cash flows of the Company are set out in these financial statements.

The financial statements have been prepared on going concern basis in accordance with International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act, 2012. The accounting policies have been applied consistently to all the periods presented in the accompanying financial statements.

3. Share capital

	2022		2021	
Authorised	Number of shares			
Ordinary shares	124,500		124,500	
Issued	2022	2021	2022	2021
Ordinary shares	UShs '000	UShs '000	Number of shares	Number of shares
	145,000	145,000	72,500	72,500

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

The board has not recommended the declaration of a dividend for the year.

5. Directorate

The directors who had office during the year and at the date of this report are as under:

Directors	Nationality	Changes
B S Ajaikumar	Indian	
Shalish Guntu	Indian	Resigned June 14 2022
Shrinivasa R Venkatavaradhan	Indian	Appointed June 14 2022

There have been no changes to the directorate for the year under review.

6. Holding company

The Company's holding company is HealthCare Global (Africa) Private Limited, which is incorporated in Mauritius.

7. Ultimate holding company

The Company's ultimate holding company is HealthCare Global Enterprises Limited, which is incorporated in India.

8. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Directors' Report

9. Going concern

The financial statements of the Company are prepared on going concern basis notwithstanding the fact that the Company incurred a loss of US\$ 15,536 thousand, had negative operating cash flows and its total liabilities exceeded its total assets by US\$ 16,557 thousand as at March 31 2022.

The continuation of the Company's operations as a going concern is dependent upon future profitable operations, its ability to generate sufficient cash flows to meet its obligations as they fall due and the continued financial support from the shareholders, should there be a need.

Directors are of the view that the Company will be able to meet its obligations from its operations and should there be a need, the shareholders have given an undertaking that they will be able to render financial support and continue procuring funds to meet the financial needs of the Company.

10. Auditor


Grant Thornton Certified Public Accountants have expressed their willingness to continue as auditor of the Company in accordance with Section 167(2) of the Companies Act, 2012.

11. Secretary

The company secretary is Africa Registrars Limited, whose registered office is at PO Box 31776, Kampala, Uganda.

The financial statements were approved by the board on August 30, 2022.

By Order of the Board


Africa Registrars Limited
Company Secretary

August 30, 2022
Kampala, Uganda

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Statement of Directors' Responsibilities

The directors are required in terms of the Companies Act, 2012 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Company and all employees are required to maintain the highest ethical standards in ensuring the Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Company is on identifying, assessing, managing and monitoring all known forms of risk across the Company. While operating risk cannot be fully eliminated, the Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

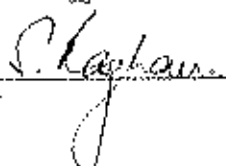
The financial statements of the Company are prepared on going concern basis notwithstanding the fact that the Company incurred a loss of US\$ 15,536 thousand, has negative operating cash flows and its total liabilities exceeded its total assets by US\$ 15,557 thousand as at March 31 2022.

The continuation of the Company's operations as a going concern is dependent upon future profitable operations, its ability to generate sufficient cash flows to meet its obligations as they fall due and the continued financial support from the shareholders, should there be a need.

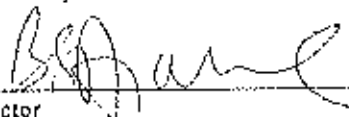
Directors are of the view that the Company will be able to meet its obligations from its operations and should there be a need, shareholders have given an undertaking that they will be able to render financial support and continue procuring funds to meet the financial needs of the Company.

The auditors was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders and the Board of Directors. The directors believe that all representations made to the independent auditor during their audit are valid and appropriate.

The financial statements set out on pages 9 to 21, which have been prepared on the going concern basis, were approved by the board on April 30, 2022 and were signed on its behalf by



Director



Director

April 30, 2022
Kampala, Uganda



Independent Auditor's Report

To the members of HealthCare Global (Uganda) Private Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of HealthCare Global (Uganda) Private Limited ("the Company") set out on pages 9 to 21, which comprise the statement of financial position as at March 31 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Companies Act, 2012.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statement's* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1 and 3) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Uganda. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Uganda. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern

Without qualifying our opinion, we draw attention to note 14 in the financial statements, which states that the financial statements of the Company are prepared on going concern basis notwithstanding the fact that the Company incurred a loss of US\$ 15,536 thousand, had negative operating cash flows and its total liabilities exceeded its total assets by US\$ 15,557 thousand as at March 31 2022.

The continuation of the Company's operations as a going concern is dependent upon future profitable operations, its ability to generate sufficient cash flows to meet its obligations as they fall due and the continued financial support from the shareholders, should there be a need.

Directors are of the view that the Company will be able to meet its obligations from its operations and should there be a need, shareholders have given an undertaking that they will be able to render financial support and continue procuring funds to meet the financial needs of the Company.

Other information

Management is responsible for the other information on pages 2 to 5.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or 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, 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.

Independent Auditor's Report

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the requirements of the Companies Act, 2012, 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.

The directors are responsible for overseeing the Company's financial reporting process.

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 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by the Companies Act, 2012, we report to you, based on our audit that:

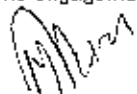
Independent Auditor's Report

(i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

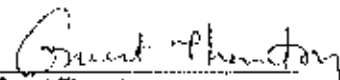
(ii) In our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and

(iii) The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is CPA Nitesh Patel - P0374.



Nitesh Patel
P0374



Grant Thornton
Certified Public Accountants

August 30, 2022
Kampala, Uganda

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Statement of Profit or Loss and Other Comprehensive Income

	Note	2022 UShs '000	2021 UShs '000
Loss on disposal of property, plant and equipments		-	(873)
General and administrative expense	3	(15,180)	(14,930)
Operating loss		(15,180)	(15,803)
Finance cost and finance income - net	5	(356)	(573)
Loss before taxation		(15,536)	(16,076)
Taxation	6	-	-
Loss for the year		(15,536)	(16,076)
Other comprehensive income		-	-
Total comprehensive loss for the year		(15,536)	(16,076)

The notes on pages 13 to 21 are an integral part of these financial statements.

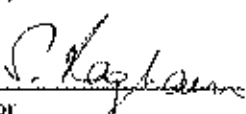
HealthCare Global (Uganda) Private Limited

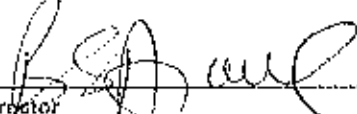
Annual report and financial statements for the year ended March 31 2022

Statement of Financial Position

	Note	2022 US\$'000	2021 US\$'000
Assets			
Current Assets			
Due from related parties	8	5,539	26,817
Trade and other receivables	9	342	342
Cash at bank	10	1,272	1,050
		<u>7,153</u>	<u>28,209</u>
Equity and Liabilities			
Equity			
Share capital	11	145,000	145,000
Accumulated losses		(160,557)	(145,021)
		<u>(15,557)</u>	<u>(21)</u>
Liabilities			
Current Liabilities			
Trade and other payables	12	11,633	17,555
Due to a related party	13	11,077	11,275
		<u>22,710</u>	<u>28,830</u>
Total Equity and Liabilities		<u>7,153</u>	<u>28,809</u>

The financial statements on pages 9 to 21, were approved by the board on Aug 30, 2022, and were signed on its behalf by:


Director


Director

The notes on pages 13 to 21 are an integral part of these financial statements.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Statement of Changes in Equity

	Share capital	Accumulated losses	Total equity
	UShs '000	UShs '000	UShs '000
Balance at April 01 2020	145,000	(128,945)	16,055
Loss for the year	-	(16,076)	(16,076)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(16,076)	(16,076)
Balance at March 31 2021	145,000	(145,021)	(21)
Loss for the year	-	(15,536)	(15,536)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(15,536)	(15,536)
Balance at March 31 2022	145,000	(160,557)	(15,557)

The notes on pages 13 to 21 are an integral part of these financial statements.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Statement of Cash Flows

	Note	2022 UShs '000	2021 UShs '000
Cash flows from operating activities			
Loss before taxation		(15,536)	(16,076)
Adjustments for:			
Depreciation		-	310
Changes in:			
Trade and other receivables		-	476
Trade and other payables		(5,921)	(587)
Net cash used in operations		(21,457)	(15,877)
Cash flows from investing activities			
Disposal of property, plant and equipment		-	673
Net movement in due from related parties		21,080	14,655
Net cash generated from investing activities		21,080	15,328
Net change in cash in hand and at bank for the year		(377)	(549)
Cash in hand and at bank at the beginning of the year		1,650	2,199
Cash in hand and at bank at end of the year	10	1,273	1,650

The notes on pages 13 to 21 are an integral part of these financial statements.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Notes to the Financial Statements

Corporate Information

HealthCare Global (Uganda) Private Limited ("the Company") is a limited liability company incorporated and domiciled in Uganda. The Company was incorporated on January 16 2013.

The Company is engaged in the business of providing healthcare services.

The registered office of the Company is PO Box 31776, Kampala, Uganda.

1. Significant accounting policies

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

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with International Financial Reporting Standards ("IFRSs") and with the requirements of the Companies Act, 2012.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Uganda Shillings ("UShs"), which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

These accounting policies have been applied consistently throughout the current period and in all periods presented.

1.2 Use of significant judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. 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 estimates are revised and in any future periods affected.

A. Significant judgements

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

B. Key sources of estimation uncertainty

Information about estimates and assumptions that may have significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in the relevant notes.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Notes to the Financial Statements

1.3 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expires, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other operating expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Notes to the Financial Statements

1.3 Financial instruments (continued)

Financial assets at fair value through other comprehensive income (FVOCI)

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is 'hold to collect' the associated cash flows and sell and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.
- '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Company makes use of a simplified approach in determining expected credit losses on trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical credit loss experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings and trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Notes to the Financial Statements

1.4 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets (other than biological assets, investment property, inventories, contract assets and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

1.5 Equity

An equity is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.6 Provisions and contingencies

Provisions are recognised when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 18.

1.7 Translation of foreign currencies

A foreign currency transaction is recorded, on initial recognition in Uganda Shillings, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

HealthCare Global (Uganda) Private Limited

Annual report and financial statements for the year ended March 31 2022

Notes to the Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7

The amendment sets out additional disclosure requirements related to interest rate benchmark reform.

The effective date of the Company is for years beginning on or after January 01 2021.

The Company has adopted the amendment for the first time in the 2022 financial statements.

The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after April 01 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	January 01 2023	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	January 01 2022	Unlikely there will be a material impact
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	January 01 2022	Unlikely there will be a material impact

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	2022 UShs '000	2021 UShs '000		
3. General and administrative expenses				
Consulting and professional fees	8,842	2,797		
Auditors remuneration	4,493	10,737		
Other expenses	1,447	476		
Bank charges	398	510		
Depreciation	-	310		
	<u>15,180</u>	<u>14,830</u>		
4. Depreciation				
Property, plant and equipment	-	310		
		<u>310</u>		
5. Finance cost and finance income - net				
Realised foreign exchange differences	(8)	-		
Unrealised foreign exchange differences	364	573		
	<u>356</u>	<u>573</u>		
6. Taxation				
No tax expenses recognised during the year as the Company has accumulated tax losses of USH 153,877 thousand as at March 31, 2022. In addition, management determined that chances of taxable income is remote and may not recover deferred tax assets, accordingly deferred tax assets not recognised as at March 31, 2022.				
7. Property, plant and equipment				
Reconciliation of property, plant and equipment - 2021				
	Opening balance	Disposals	Depreciation	Closing balance
Furniture and fixtures	963	(673)	(310)	-
8. Due from related parties				
HealthCare Global (Konya) Limited			1,963	23,177
HealthCare Global (Tanzania) Limited			3,576	3,640
			<u>5,539</u>	<u>26,817</u>
9. Trade and other receivables				
Other receivables			342	342
10. Cash at bank				
Cash at bank			1,272	1,650

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	2022 UShs '000	2021 UShs '000
11. Share capital		
Authorised		
124,600 Ordinary shares of UShs 2,000 each	249,000	249,000
Issued and paid-up		
72,500 Ordinary shares of UShs 2,000 each	145,000	145,000
12. Trade and other payables		
Financial liabilities:		
Accrued expense	11,631	17,553
13. Due to a related party		
HealthCare Global (Africa) Private Limited	11,077	11,276
14. Going concern		
The financial statements of the Company are prepared on going concern basis notwithstanding the fact that the Company incurred a loss of UShs 15,536 thousand, had negative operating cash flows and its total liabilities exceeded its total assets by UShs 16,557 thousand as at March 31 2022.		
The continuation of the Company's operations as a going concern is dependent upon future profitable operations, its ability to generate sufficient cash flows to meet its obligations as they fall due and the continued financial support from the shareholders, should there be a need.		
Directors are of the view that the Company will be able to meet its obligations from its operations and should there be a need, the shareholders have given an undertaking that they will be able to render financial support and continue procuring funds to meet the financial needs of the Company.		
15. Related parties		
Relationships		
Ultimate holding company	HealthCare Global Enterprises Limited	
Holding company	HealthCare Global (Africa) Private Limited	
Sister concern	HealthCare Global (Kenya) Limited HealthCare Global (Tanzania) Limited	
Members of key management	B S Ajaikumar Shrinivasa Raghavan Venkatavaradhan	
Related party balances		
Due from / (to) related parties		
HealthCare Global (Africa) Private Limited	(11,077)	(11,276)
HealthCare Global (Kenya) Private Limited	1,963	23,177
HealthCare Global (Tanzania) Private Limited	3,575	3,640

HealthCare Global (Uganda) Private Limited

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Notes to the Financial Statements

16. Risk management

Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company does not hedge any of its risk exposure.

The financial risk management is carried out by the accounts and finance department under policies and guidance provided by the Board of Directors.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in notes 8 cash and cash equivalents disclosed in note 10, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There are no externally imposed capital requirements.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Company's risk to liquidity is a result of the funds available to cover future commitments. The Company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At March 31 2022	Less than 1 year
Due to a related party	11,077
Trade and other payables	11,633
At March 31 2021	Less than 1 year
Due to a related party	11,275
Trade and other payables	17,556

HealthCare Global (Uganda) Private Limited

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16. Risk management (continued)

Credit risk

Credit risk consists mainly of cash at bank and trade and other receivables. The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a limited customer base. Management evaluated credit risk relating to customers on an ongoing basis. The Company's credit controller assesses the credit quality of each customer taking into account its financial position, past experience and many other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by those counterparties.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2022	2021
	UShs '000	UShs '000
Due from related parties	5,539	26,617
Trade and other receivables	342	342
Cash at bank	1,272	1,650

No collateral is held for any of the above assets. All receivables that are neither past due nor impaired are within their approved credit limits, and no receivables have had their terms renegotiated.

17. Commitments

The Company has no significant outstanding capital commitments as at March 31 2022 (2021: Nil).

18. Contingencies

In the opinion of management, the Company did not have any significant contingent liabilities as at March 31 2022 (2021: Nil).

19. Events after the reporting period

The directors are not aware of any events after the reporting period and upto the date of this report which requires adjustments to or disclosures in the financial statements.

20. Comparatives

Previous year's figures have been regrouped / reclassified in order to make them comparable with that of current financial period, wherever necessary.