RNS Number : 5520X
Totally PLC
24 July 2024

Totally plc

("Totally", the "Company" or the "Group")

Preliminary results for the 12-month period ended 31 March 2024

Improving health, supporting healthcare

Totally plc (AIM: TLY), a leading provider of frontline healthcare services which increases access to quality healthcare across the UK and in Ireland by targeting the reduction of waiting lists and waiting times for patients, alongside corporate fitness and wellbeing services for corporate customers, is pleased to announce its preliminary results for the 12-month period ended 31 March 2024.

Financial highlights

- Revenue down 21% to £106.7 million (2023: £135.7 million).
- Gross margin decreased 1.8 percentage points to 16.6% (2023: 18.4%).
- Underlying EBITDA (excluding exceptional items) decreased 67% to £2.3 million (2023: £6.9 million, H1 24: £1.1 million), excluding £0.9 million in exceptional items.
- Loss before tax of £3.9 million (2023: profit of £1.8 million).
- Gross cash as at 31 March 2024 of £2.3 million (31 March 2023: £6.5 million;30 September 2023: £1.7 million). Cash recovered throughout the second half of the year.
- Debt remains unchanged, and the Company continues to have headroom on all bank covenants.
- Indicative terms provided by existing lender NatWest for the renewal of our RCF for a further two years at a level of £3.5 million to better reflect the current size of the business.
- Cost savings initiatives delivered £2.2 million in year with annualised cost savings of £3.5 million, with £0.9m exceptional costs to deliver organisational restructuring.
- Intangible value of contracts ("IVOCs") has been fully amortised by the end of the year (2023 closing balance £2.6m).
- Basic (losses)/earnings per share of (1.60) pence (2023: 0.94 pence).
- Directors do not propose a dividend for year ended 31 March 2024.
- With the healthcare market now easing and after allowing for the full year impact of the previously flagged contract exits, the Company expects revenues for the year ending 31 March 2025 to be c. £85 million and EBITDA to be not less than £3.5 million.

Operational highlights

- All Care Quality Commission ("CQC") registered services continue to be rated as "Good".
- More than two million patients were able to access appropriate care via Totally, including the treatment of c. 175,000 patients from elective care waiting lists.
- Contract with NHS England for the delivery of NHS 111 resilience services renewed for a further year.
- Mobilisation of new elective care contracts in England and three new contracts for the delivery of elective care services provided to Saolta Group in Ireland.
- Multiple contract renewals and extensions underpinning 2023/24 revenue.
- Mobilised largest corporate fitness and wellbeing contract to date, valued at £1.0 million over five years.
- Secured accreditation of Cyber Essentials Plus, providing assurance that our IT environment remains secure and we have a framework in place to reduce the risk of cyber-attacks.

Post period highlights

- New contract to manage the fitness centre and wellbeing suites at prestigious new development in the City, commencing September 2024 and valued at £0.5 million over three years.
- Multiple contract renewals and extensions underpinning 2024/25 revenue.
- The appointment of Bob Forsyth as a Non-Executive Director and Chair of the Audit Committee.

Investor presentation

Wendy Lawrence, CEO, Simon Stilwell, Non-Executive Chairman and Laurence Goldberg, Director of Finance, will provide a live presentation relating to the preliminary results and outlook for the Company via the Investor Meet Company platform on 24 July 2024 at 11.30 am BST. The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 9:00 am the day before the meeting, or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet Totally plc via:
https://www.investormeetcompany.com/totally-plc/register-investor

Investors who already follow Totally plc on the Investor Meet Company platform will automatically be invited.

CHAIRMAN'S STATEMENT

It was undoubtedly a difficult year for the Group but the actions on costs, structure, internal process and financial controls taken in the second half of the year have seen a stabilisation in the business and a return to positive monthly EBITDA contribution. As we look to the year ahead, we are a stronger organisation with clear accountability and improving performance.

Revenues for the period were £106.7 million (2023: £135.7 million) with underlying EBITDA (excluding exceptional items) of

£2.3 million (2023: £6.9 million). Gross cash as at 31 March 2024 stood at £2.3 million (31 March 2023: £6.5 million) and borrowings remained at £2.5 million. Actions taken in a difficult operating environment resulted in annualised cost savings of £3.5 million and exceptional costs of £0.9 million.

I remain convinced that the opportunity to work with the NHS remains attractive and recent contract wins and extension announcements demonstrate early signs of commissioners taking action as the market begins to ease post-election. Research published in February by the Office of National Statistics [1] gives new insight into the number of people on waiting lists - with one in five in England alone awaiting treatment. It is important to remember that elective care waiting lists are only part of the challenge and need to be managed in the context of a similarly stretched urgent care model. The NHS and other healthcare organisations must seek new ways to deliver care to more and more people, whilst not compromising on safety or quality. Totally has a strong track record of innovating to increase access to care whilst improving the quality and safety in its services and we remain ready to support commissioners with this challenge. All of the actions taken during the year have been to ensure we are fit for this purpose and can contribute to the success of an NHS which is fit for the future and at the cutting edge of healthcare once more.

I am particularly pleased with the work we have done during the year to support NHS 111 resilience. NHS England renewed this contract for a further year in January 2024 and we consistently rank first or second in the country for this service, demonstrating the quality of our model. We have also delivered a number of pilots in the period which have the potential to support long-term growth as commissioners seek innovative ways to address new and existing challenges.

I would like to thank everyone in our team and our shareholders for their commitment during what has been a challenging year operationally. I am proud of the work we deliver to increase access to care for people across the UK and in Ireland. Additionally, I would like to take this opportunity to thank Mike Rogers for the contribution as Non-Executive Director and Chair of the Audit Committee made to Totally over the last nine years. Mike stepped down from the Board on 24 July2024 and I am delighted to welcome Bob Forsyth to the Board as a Non-Executive Director and the Chair of Audit Committee, as detailed in a separate announcement, today.

The strength of this business is in its nationwide presence, excellent reputation and high professional standards. These factors, combined with a more efficient operating model and an increased focus on innovation to develop new solutions, should see us prosper, despite the challenging backdrop. The recent contract wins and extensions are an encouraging sign and reflect a lifting of the election decision making hiatus, and we are ready to respond to any new NHS initiatives.

Simon Stilwell
Chairman
24 July 2024

[1] ONS survey undertaken 16 January to 15 February 2024.

CHIEF EXECUTIVE OFFICER'S REVIEW

Introduction

The healthcare sector continues to be challenging but post-election we are beginning to see increased clarity on NHS priorities and subsequent actions. During the last financial year, we faced increased uncertainty, driven by an imminent election and delayed NHS planning guidance, making it more important than ever that we managed our costs effectively, delivered quality services and ensured our workforce remained ready to face the challenges ahead. Record numbers of patients are waiting for treatment on elective waiting lists alongside the ever-increasing number of people accessing urgent care services via 111 (telephone and online) and accident and emergency departments. We, as a leading provider of services to assist the NHS, remain steadfast in what we do.

Totally has focused on delivering contracted services to a high standard and took action to ensure that our corporate and operational structure reflected the needs of current demand, ultimately protecting those services, our workforce and long-term shareholder value. Our vision and purpose stand firm. We seek to improve healthcare outcomes by helping healthcare providers tackle their challenges, helping the NHS and other healthcare providers be the best they can be. We have realised significant efficiencies within the year, with more to come through the application of innovative approaches and new thinking to deliver more with less.

Although the healthcare landscape continues to change, and we wait for more clarity post-election, commitment to continue to use independent providers to help reduce waiting lists and ensure patients are diagnosed and treated more quickly remains. Inevitably, what commissioners need from us will evolve. In the past we have stood by our commitment to deliver excellent services, seeking to provide the very best care for every single patient. In this new environment, with sustained, high levels of demand, commissioners need us to deliver consistently good care to more people than ever before, ensuring every single patient is safe and can access care quickly. And once we have helped reduce waiting lists, we will ensure we remain nimble enough to help tackle the next challenge.

As we tackled the challenges presented by increased demand and the broader economic and political landscape, we are delighted that all of our CQC registered services continued to be rated as "Good" during the year and that we enabled around two million people across England and Ireland to access the care and treatment they needed.

Financial performance impacted by NHS challenges

In January, NHS England committed to a further year with Totally as its sole resilience partner for NHS 111, increasing the scope of the contract, renewed at c. £13 million. The Group also increased the level of insourcing activity delivered on behalf of several NHS trusts across England and the Saolta Group in Ireland and renewed multiple urgent care contracts.

Demand for corporate wellbeing services, delivered by Energy Fitness Professionals ("EFP"), continued to remain buoyant and during the year we confirmed a new contract worth £1.0 million over five years, our largest corporate fitness contract to date. More recently, we have secured a further new contact to manage the fitness centre and wellbeing suites a prestigious new development in the City. The contract commences in September 2024 and is valued at £0.5 million over three years.

Our phased cost reduction programme, delivered during the last 18 months, sought to right size our corporate and operational structures. Cost saving initiatives undertaken and a focus on innovation to drive efficiencies delivered a full year reduction of £2.2 million and annualised savings of c. £3.5 million. New protocols put in place are driving a more controlled labour mix (substantive staff/agency spend) and contributing to a stabilising margin. We expect an increase in the focus on healthcare as the new government settle into their role and we remain ready, responsive to changing demand, and prepared to support commissioners as needed. We will continue to manage our internal costs to ensure resilience for the future.

Strategic progress

We have continued to work closely with commissioners to support them as they face the same service challenges seen everywhere across the sector. Internally, our continued focus has been on managing our internal costs and processes and our new, leaner structure, with clear accountability, positions us well for the future.

Externally, we have focused on the delivery of care and rebuilding patient care pathways to deliver the efficiencies the NHS needs to tackle current challenges, enabling us to increase access to care and improve quality as we reduce cost. We were also recertified for Cyber Essentials Plus, ensuring that all our systems remain secure as we face increased threats from cyber-attack.

New business impacted by NHS challenges but fresh shoots now emerging

During the FY24 year, opportunities were slower to come through as a new tender process, delayed NHS planning guidance and the imminent election brought uncertainty.

Recent contract announcements demonstrate that this uncertainty is now easing. We have seen new business opportunities come out to market and seen existing contracts renewed. We continue to work closely with healthcare commissioners to agree opportunities for piloting new models of care and longer-term support and we expect these opportunities to grow further as the new government rolls out new plans for tackling demand and reducing waiting lists.

Within corporate wellbeing, new business opportunities continue to be driven by employers wanting to enhance their workforce offering and a growing corporate responsibility for employee wellbeing.

Our people

Our people are our greatest asset and what makes Totally unique in its flexibility to respond quickly and professionally to every demand faced. Our people strategy seeks to create a culture of excellence and environment which enables all our people to be at their best.

During the year we had to say goodbye some of our team, as we right sized structures. This is always hard to do and we never like to lose quality members of our team, but these changes ensured we remain fit for purpose, and help secure the future of the organisation as a whole. Alongside this change, we undertook our annual people survey which has provided valuable insights into what we do next to deliver on our people promises. I am pleased to confirm that despite the level of change our teams have experienced during this year, are engagement level increased slightly to 60%.

We continued to rollout our new people system, which brings all people data, including rota management, into one place for the first time, driving significant efficiencies. We also made changes to our workforce profile to ensure we directly employ where possible and minimise the use of agencies. The recruitment of GPs has become easier and we continue to invest to grow our own emergency nurse practitioners and advanced nurse practitioners. We always seek to increase the number of clinicians who choose to work solely for Totally, but acknowledge that our flexible working options, enabling clinicians to work for the NHS and Totally at the same time, are a key reason why many choose to work for us.

Outlook

The Board remains very confident in the scale and attractiveness of the opportunity available to the Company and the potential to return to growth in the short-term, underpinned by the operational progress made internally to drive efficiency, performance, accountability, agility and innovation.

We await further guidance from NHS England and NHS trusts and look forward to updating the market further as more clarity emerges.

Wendy Lawrence
Chief Executive Officer
24 July 2024

STRATEGIC REVIEW

Ready to respond to burgeoning opportunities

HEALTHCARE

We provide urgent and elective care services to healthcare commissioners and other corporate organisations, the police and the prison services.

Urgent care services are delivered under the Totally Urgent Care brand and include all services which were previously awarded to and delivered by Vocare and Greenbrook Healthcare, including urgent treatment centres ("UTCs"), NHS 111, clinical assessment services, GP out of hours and acute visiting services.

Elective care services make up a range of services previously provided under the Pioneer Healthcare, Totally Healthcare, Totally Planned Care, About Health and Premier Physical Healthcare brands. All services are focused on tackling growing waiting lists and accessibility to services, including:

- working with hospitals and trusts to help support the reduction of waiting lists through insourcing, outsourcing and a range of extended primary and secondary care collaborative partnerships through our Any Qualified Provider ("AQP") status;
- provision of community outpatient services including specialist dermatology and referral management services; and
- therapy services, with a focus on physiotherapy and podiatry across a number of settings, including GP practices, prisons and health centres.

Each year we support more than two million patients who are seeking treatment or advice.

Urgent care services

Urgent care services help healthcare commissioners ensure patients have access to the right healthcare service, at the right time, in the right place, both in hours and out of hours. Our services aim to reduce emergency admissions and unnecessary attendances at hospitals to reduce pressure on the overall healthcare system. Our clinical team is made up of experienced doctors, nurses and paramedics, who can provide detailed assessments, advise on treatment options, support patients to care for themselves at home and arrange urgent care if required.

As anticipated, it was a challenging year and revenue dropped to £76.8 million (2023: 98.8 million) primarily due to the cessation of contracts for the delivery of urgent treatment centres in the North West London area. Gross margin reduced to 16.6% (2023: 17.6%) as higher inflation and challenged NHS budgets continued to put pressure on existing contracts. Market potential, nevertheless, remains strong and we are working with commissioners to review discrepancies between planned and actual patient numbers and reviewing broader contract arrangements where necessary. The NHS continues to struggle to manage demand and workforce issues; and demand for all services continues to outstrip all available capacity.

Against the backdrop of increased demand, we are pleased to confirm that all our CQC registered services continue to be rated "Good" overall.

Demand for urgent care services remained high during the period. Our experienced management team worked closely with healthcare commissioners to respond to these challenges and maintain service delivery. In total, our Urgent Care teams responded to the needs of more than 1.8 million patients either through NHS 111, at urgent treatment centres, within GP out of hours contracts or other services.

The number of calls taken within our NHS 111 servicesincreased by 31% as the new contract for NHS 111 resilience services drove increased volumes. Performance in this contract has been strong and we are consistently positioned in first or second position across the country for performance. In January, the contract was extended for a further year, with greater volumes and a contract value of c. £13 million (previous contract value c.£10 million). We have also seen a significant increase in demand through NHS 111 online, with patients supported increasing by 61% versus the previous year. At the end of the year, Totally's contract to deliver NHS 111 services in Staffordshire came to an end and we provided extended support to transition to the new provider as services across Staffordshire and the West Midlands were brought together for the first time. Reduced volumes for 2024/25 due to this contract change will be partly offset by the increase in volume for resilience services.

Clinical advice service ("CAS") support hasremained level as increased support for existing customers was offset by the end of arrangements with other trusts. Support for primary care services has also increased (patients supported up by 17%) during the year. This support includes, for example, telephone answering services for GPs and district nurses.

In total, our teams respond to a call every 28 seconds, 24 hours a day, 365 days a year.

Within individual UTCs, we continued to see more patients than last year, and more patients than planned. The number of attendances at London-area UTCs, where we continued to deliver services throughout the year, was 10% higher than last year and 22% more than planned, although this varied widely across the locations with attendances at some UTCs c. 60% higher than expected during busy months. Despite continued pressure, more than 95% of the c.3 00,000 patients attending UTCs (which also stream patients attending A&E to ensure the most appropriate care) were admitted, transferred or discharged within the four-hour waiting time target; NHS England targets were for 76% of patients to be see within four hours by March 2024 rising to 78% from March 2025.

During the year we have actively explored innovative approaches to support these sustained increases in demand without similar increases in cost to the NHS. Pilots undertaken have included the introduction of single triage queues and patient care pathway rebuilding to change patient flow.

Our GP out of hours (GPOOH) services ensure that patients can access care overnight and during weekends and bank holidays. Demand remained broadly level during the year, with around 200,000 patients being supported through services in the North East, Yorkshire and Staffordshire. At the end of the year, contracts for the delivery of GPOOH services in Yorkshire came to an end.

In addition to the contract extension for the NHS England NHS 111 national resilience, multiple other urgent care contracts across the North of England and the Midlands were renewed and since the end of the financial year, a further eight contracts have been extended to enable the continuation of services across the North East, Yorkshire and Staffordshire valued at a total of c. £12.5 million.

Elective Care
All our services focus on helping commissioners, trusts and hospitals maximise accessibility to good quality, safe elective care which helps support the reduction of waiting lists.

Revenue for elective care services was lower at £27.9 million (2023: 35.2 million) as opportunities to support the NHS with the reduction of waiting lists slowed down as commissioners awaited new NHS planning guidance and familiarised themselves with new legislation for the commissioning of services. Gross margin was also lower at 14.5% (2023: 19.8%).

The bottlenecking of demand, with commissioners waiting to access much needed support from the independent sector, contributed to further increases in waiting lists for elective care. Recent research by the Office of National Statistics suggests that one in five people in England are awaiting treatment. According to the NHS data[2], waiting lists are now 80% higher than in March 2020 and continue to grow.

Totally secured new contracts with a number of trusts in England and three additional contracts with the Saolta Group in Ireland for the provision of oral and maxillofacial outpatient and day surgery services and urology services. In total, Totally helped remove c. 175,000 patients from waiting lists during the year.

Totally Elective Care provides resilient capacity to deliver much-demanded insourcing and outsourcing services across a wide range of surgical and medical procedures, free at the point of delivery to NHS patients. We continue to sit on all major frameworks for elective care support, enabling rapid procurement of services to enable trusts to respond to increasing demand.

Healthcare - the year ahead
As a partner to the NHS, we will continue to identify and act upon all opportunities to support the delivery of quality patient care, which enables Totally to grow and continue to build its reputation as a trusted partner of choice.

We are now seeing an increase in opportunities to support new and existing customers following the clarification of NHS targets and the general election. New targets include the treatment of 78% of patients attending A&E within four hours, and the reduction of elective care waits to no more than 65 weeks by September 2024 and no more than 52 weeks by March 2025. In England alone, more than 55,995[3] patients are currently waiting longer than 65 weeks and a further 307,500 have been waiting more than a year, making new targets a significant challenge. Since the end of the financial year, we have already rapidly mobilised two new contracts to help meet these targets.

We expect demand for urgent care services, including virtual wards and integrated care, to continue and opportunities will be there for providers who can evidence a combination of good performance, and value for money, for which we have a strong track record. Ongoing positive pilots with multiple trusts are also expected to present new opportunities for long-term growth and growing elective care waiting lists and stricter targets for elective care will bring a larger number of opportunities to market. We are positioned well to rapidly mobilise new services which will both reduce the waiting times of patients and improve access for the longer term.

[2] Data for March 2020 published on 14 May 2020 by NHS England on referral to treatment times ("RTT")

[3] Latest data (May 24) published on 11 July 2024 by NHS England on referral to treatment times ("RTT").

CORPORATE WELLBEING

EFP works with a growing number of high-profile organisations across the UK, including large corporate companies, central government departments, universities and colleges to provide workplace wellbeing and corporate fitness services.

central government departments, universities and colleges to provide workplace wellbeing and corporate fitness services. EFP manages 62 gyms on behalf of corporate customers and also offers gym design alongside digital services to support employee wellbeing in the workplace.

During the year, corporate wellbeing revenue increased to £2.0 million (2023: £1.7 million) following the addition of new contracts, including a five-year contract valued at £1.0 million. This is the largest single contact awarded to EFP to date. Gross margin improved to 45.3% (2023: 41.5%) reflecting the impact of the new contracts.

Corporate wellbeing - the year ahead
Wellbeing continues to grow as a priority for corporate customers looking to enhance their workplace and workforce offering, and we continue to see further opportunity for growth with a number of tender opportunities due to come to a conclusion in the next few months. Most recently, we have secured a further new contact to manage the fitness centre and wellbeing suites a prestigious new development in the City. The contract commences in September 2024 and is valued at £0.5 million over three years.

We continue to focus on developing new relationships with a broader range of corporate customers.

FINANCIAL REVIEW

A challenging year with progress made in the second half
Revenue for the year was £106.7 million (2023: £135.7 million), primarily due to the cessation of contracts for the delivery of urgent treatment centres in the North West London area, and uncertainty within the NHS due to delays in NHS planning guidance, changes in procurement legislation and continuing workforce challenges impacted the number of new business opportunities available to the Company.

Like the NHS, we have been required to take difficult decisions and during the year we undertook significant activity to right size the organisation for a smaller contract base, whilst retaining the flexibly to grow again once opportunities present. The phased cost reduction programme performed across both our corporate and operational structures delivered a full year reduction in FY 2024 of £2.2 million and annualised savings of c.£3.5 million. Exceptional costs related to these cost saving initiatives was £0.9 million. New protocols put in place for the use of agency staff also helped to drive a more controlled labour mix and stabilise margin.

At the year end, the Company had gross cash of £2.3 million (31 March 2023: £6.5 million.) Cash consumption in the year of £4.2 million was as a result of net cash out flows from operating activities of £0.7 million (2023: net cash outflow of £1.6 million) which reduced due to cost savings; net cash out flow from investing activities of £2.0 million (2023: £7.0 million) which reduced due to lower business acquisition related payments (fully paid in 2024); and net cash outflow from financing activities of £1.5 million (2023: net cash out flow of £0.3 million) which increased due to the absence of additional borrowings that improved the net flow position as in the prior year.

We utilised £2.5 million of our revolving credit facility ("RCF") throughout the year to support working capital requirements and continued to have headroom on all bank covenants throughout the year. We have recently agreed indicative term with our existing lender NatWest for the renewal of the RCF for a further two years, from the date of signing, at a level of £3.5 million to better reflect the current size of the business.

The Group generated a loss before tax of £3.9 million (2023: profit of £1.8 million, with exceptional costs amounting to £0.9 million. By the end of the year the intangible value of contacts ("IVOCs") with an opening carrying value of £2.6 million were fully amortised. As signalled earlier in the year, underlying EBITDA was lower at £2.3 million (FY23: £6.9 million; H124: £1.1 million). This result reflects slight improved performance in the second half of the year following costs saving actions and provided a solid base from which to begin the current financial year.

Trading performance

Urgent care revenue fell by 22% to £76.8 million, primarily due to the cessation of contracts for the delivery of urgent treatment centres in the North West London area. Elective care revenue reduced by 21% reflecting the end of some shorter-term contracts for the delivery of insourcing and outsourcing services, and a reduction in the delivery of prison healthcare.

During the year, the Group confirmed a number of new contracts for the reduction of waiting lists in both the UK and in Ireland; and in urgent care, a contract extension for NHS 111resilience services, valued at c.£13 million (previous contract £10 million per annum). In addition, since the end of the financial year a further eight contracts have been extended to enable the continuation of services across the North East, Yorkshire and Staffordshire valued at a total of c. £12.5 million. We continued to support a number of commissioners with the development and piloting of new models of care, which began during the 2023/4 year, and we are confident that these successful pilots will result in further opportunities to support with the management of demand and pressure on ambulance services during the current year.

Revenue from EFP totalled £2.0 million (2023: £1.7 million), up 18% as demand continued to increase. During the year EFP secured its largest corporate contract to date, valued at £1.0 million over five years and the market remains buoyant. The nature of the market means that tender processes can be extended and we remain focused on building long term relationships with new and existing customers to create a long-term pipeline of new opportunities.

Overall Group gross margin decreased to 16.6% (2023: 18.4%) largely as a result of inflationary pressure on the cost of delivering services agreed in previous years, and increased competition for a smaller number of available contracts.

	31 March 2024	31 March 2023
Revenue	**£106.7m**	£135.7m
Gross profit	**£17.7m**	£25.0m
EBITDA	**£2.3m**	£6.9m
Exceptional items	**(£0.9m)**	(£0.6m)
Depreciation	**(£1.5m)**	(£2.0m)
Amortisation	**(£3.4m)**	(£2.2m)
Interest	**(0.4m)**	(0.3m)
PBT	**(£3.9m)**	£1.8m
Net assets	**£33.7m**	£37.1m
Cash	**£2.3m**	£6.5m

Exceptional items
EBITDA of £2.3 million (2023: £6.9 million) excludes exceptional items of £0.9 million (2023: £0.6 million), related to further actions taken during the year to right size the organisation.

Cash flow statement

	31 March 2024	31 March 2023
Net cash flows from operating activities	**(£0.7m)**	(£1.6m)
Net cash flows from investing activities	**(£2.0m)**	(£7.0m)
Net cash flows from financing activities	**(£1.5m)**	(£0.3m)
Net decrease in cash and cash equivalents	**(£4.2m)**	(£8.9m)
Cash and cash equivalents at the beginning of the year	**£6.5m**	£15.3m
Cash and cash equivalents at the end of the year	**£2.3m**	£6.5m

Dividend

In line with performance delivered, the Board does not recommend a dividend for the current year.

Market guidance

Given uncertainty at the time of the interim results the Company temporarily withdrew guidance from the market. The improving healthcare market gives increased confidence in the trading outlook, and the Company now expects revenues for the year ending 31 March 2025 to be c. £85 million and EBITDA to be not less than £3.5 million.

Laurence Goldberg
Director of Finance
24 July 2024

For further information please contact:

Totally plc 020 3866 3330
Wendy Lawrence, Chief Executive Officer
Simon Stilwell, Chair

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Bobbie Hilliam / Harry Rees

Notes to editors

About Totally

Totally is a leading provider of healthcare and wellbeing services across the UK and Ireland, working in partnership with the NHS, other healthcare providers and corporate customers to help address the challenges of increased demand for healthcare services.

The Company is committed to pursuing a progressive buy-and-build consolidation strategy within the fragmented healthcare market and looks to capitalise on the attractive opportunities that its disruptive service model offers to generate value to shareholders.

Totally helps healthcare commissioners and hospitals ensure patients can access the most appropriate care quickly and efficiently by delivering quality urgent care services, such as NHS 111 and urgent treatment centres, elective care services including insourcing, outsourcing and elective care delivered via 'Any Qualified provider', as well as community dermatology clinics; and therapy servicing including first contact practitioner and a full physiotherapy and podiatry offering. Our corporate customer services also play a role in reducing reliance on healthcare by promoting healthy lifestyles and physical and mental health.

Healthcare services

Urgent Care: Totally's urgent care services are delivered under the Totally Urgent Care brand, by Vocare and Greenbrook Healthcare. Both businesses have a strong heritage and have been delivering quality urgent care services including NHS 111, GP Out of Hours and Urgent Treatment centres on behalf of the NHS for more than 25 years and 15 years respectively.

Elective care: Totally's elective care services are delivered by Pioneer Healthcare, About Health and Premier Physical Healthcare.

- Pioneer Healthcare was established in 2007 and delivers a wide range of acute services to NHS patients, in partnership with independent healthcare sector private hospitals across England, to help the NHS reduce waiting lists whilst maintaining patient care and quality. Pioneer offer services through insourcing and outsourcing agreements and through its Any Qualified Provider status.
- About Health has been delivering community-based specialist care with a focus on delivering prompt assessment and

treatment across the country since 2008.

- Premier Physical Healthcare was established in 2007 and provides physiotherapy and podiatry services to NHS patients, often within a community GP practice, and to the prison service.

Corporate Wellbeing Services

Energy Fitness Professionals ("EFP"): EFP is a corporate fitness provider established in 1990 to address a gap in the market for workplace fitness, which has grown to offer a range of services covering workplace wellbeing. EFP manages 62 gyms on behalf of its corporate customers, with more than 13,000 members.

For more information visit www.totallyplc.com

Consolidated Income Statement
For the year ended 31 March 2024

Continuing operations	31 March 2024 £000	31 March 2023 £000
Revenue	**106,678**	135,696
Cost of sales	**(88,947)**	(110,695)
Gross profit	**17,731**	25,001
Administrative expenses	**(15,855)**	(18,113)
Other income	**387**	2
Profit before exceptional items	**2,263**	6,890
Exceptional acquisition costs	**(874)**	(562)
Profit before interest, tax and depreciation	**1,389**	6,328
Depreciation and amortisation	**(4,867)**	(4,249)
Operating profit	**(3,478)**	2,079
Finance income	**27**	26
Finance costs	**(414)**	(321)
Profit before taxation	**(3,865)**	1,784
Income tax credit	**731**	-
Profit for the year attributable to the equity shareholders of the parent company	**(3,134)**	1,784
Other comprehensive income	**-**	-
Total comprehensive profit for the year net of tax attributable to the equity shareholders of the parent company	**(3,134)**	1,784

Profit per share	31 March 2024 Pence	31 March 2023 Pence
From continuing operations:		
Basic	**(1.60)**	0.94
Diluted	**(1.60)**	0.93

Consolidated Statement of Changes in Equity
For the year ended 31 March 2024

	Share capital £000	Share premium £000	Retained earnings £000	Equity shareholders' funds £000
At 1 April 2022	18,723	1,053	15,634	35,410
Total comprehensive profit for the year	-	-	1,784	1,784

Issue of share capital	887	892	-	1,779
Dividend payment	-	-	(1,908)	(1,908)
At 31 March 2023	**19,610**	**1,945**	**15,510**	**37,065**
Comprehensive profit for the year	-	-	(3,134)	(3,134)
Issue of shares	45	-	-	45
Dividend payment	-	-	(246)	(246)
At 31 March 2024	**19,655**	**1,945**	**12,130**	**33,730**

Consolidated Statement of Financial Position
As at 31 March 2024

	31 March 2024	31 March 2023
	£000	£000
Non current assets		
Intangible assets	45,809	48,210
Property, plant and equipment	1,114	1,218
Right-of-use assets	2,308	1,362
Deferred tax	560	242
	49,791	51,032
Current assets		
Inventories	53	75
Trade and other receivables	11,147	13,680
Cash and cash equivalents	2,341	6,451
	13,541	20,206
Total assets	63,332	71,238
Current liabilities		
Trade and other payables	(24,061)	(28,057)
Contingent consideration	-	(528)
Borrowings	(2,500)	(2,500)
Lease liabilities	(578)	(275)
	(27,139)	(31,360)
Non current liabilities		
Trade and other payables	(12)	(140)
Lease liabilities	(1,891)	(1,661)
Deferred tax	(560)	(1,012)
	(2,463)	(2,813)
Total liabilities	(29,602)	(34,173)
Net current liabilities	(13,598)	(11,154)
Net assets	33,730	37,065
Shareholders' equity		
Called up share capital	19,655	19,610
Share premium	1,945	1,945
Retained earnings	12,130	15,510
Equityshareholders' funds	33,730	37,065

Consolidated Cash Flow Statement
For the year ended 31 March 2024

	31 March 2024	31 March 2023
	£000	£000
Cash flows from operating activities		
Profit before taxation	(3,865)	1,784
Adjustments for:		

- depreciation and amortisation	4,867	4,249
- (profit)/loss on disposal of non current assets	(25)	33
- finance income	(27)	(26)
- finance costs	414	321
Movements in working capital:		
- inventories	22	(1)
- movement in trade and other receivables	2,467	419
- movement in trade and other payables	(4,517)	(8,106)
Cash used for operations	(664)	(1,327)
Income tax paid	-	(280)
Net cash flows from operating activities	(664)	(1,607)
Cash flows from investing activities		
Purchase of property, plant and equipment	(636)	(730)
Disposal of property, plant and equipment	29	-
Additions of intangible assets	(1,013)	(665)
Acquisition of subsidiaries, net of cash acquired	-	(735)
Contingent consideration paid	(312)	(4,896)
Net cash flows from investing activities	(1,932)	(7,026)
Cash flows from financing activities		
Issued share capital	45	567
Borrowings	-	2,500
Dividends paid to holders of the parent	(246)	(1,908)
Interest paid	(218)	(295)
Payments on lease liabilities	(1,095)	(1,091)
Net cash flows from financing activities	(1,514)	(227)
Net increase in cash and cash equivalents	(4,110)	(8,860)
Cash and cash equivalents at the beginning of year	6,451	15,311
Cash and cash equivalents at the end of the year	2,341	6,451

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

Totally plc is a public limited company ("the Company") incorporated in the United Kingdom under the Companies Act 2006 (registration number 3870101). The Company is domiciled in the United Kingdom and its registered address is Cardinal Square West, 10 Nottingham Road, Derby DE1 3QT. The Company's ordinary shares are traded on the AIM market of the London Stock Exchange ("AIM").

The Group's principal activities are the provision of innovative and consolidatory solutions to the healthcare sector, which are provided by the Group's wholly owned subsidiaries.

The Company's principal activity is to provide management services to its subsidiaries.

2. BASIS OF PREPARATION

The financial information set out in this announcement does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. It has been prepared in accordance with the prepared in accordance with the recognition and measurement principles of international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with the AIM rules and is therefore not in full compliance with IFRS. The principal accounting policies applied in the preparation of the financial information are detailed in note 3.

The financial statements for the year ended 31 March 2024 are not authorised for issue however it is anticipated that audit reports will not be modified and will not draw attention to any matters by way of emphasis or contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The financial information has been prepared on the historical cost basis and is presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the Group is described in the Financial Review.

The Group has consistently had net current liabilities in recent reporting periods which reflects the nature of the contractual terms with customers and suppliers. The Group carefully manages financial resources, closely monitoring the working capital cycle and has long-term contracts with a number of customers and suppliers across different geographic areas within the United Kingdom and industries. Based on the existing cash balances, underlying performance and cash flows generated from operating activities, the Directors believe that the Group has sufficient financial resources to be able to meet its obligations as they fall due for a period of at least 12 months from the date of this financial information and are comfortable that it is a going concern.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation
The Group's financial statements include the results of the Company and its subsidiaries, all of which are prepared up to the same date as the parent company.

Subsidiaries
Subsidiaries are all entities over which the Company has the ability to exercise control and are accounted for as subsidiaries. The trading results of subsidiaries acquired or disposed of during the period end are included in the income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. There were no acquisitions or disposals during the period.

All intra-group transactions, balances, income and expenditure are eliminated on consolidation.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date irrespective of the extent of any non-controlling interest. The excess of cost of acquisition over the fair values of the Group's share of identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair value of identifiable net assets acquired (i.e. discount on acquisition) is recognised directly in the income statement. All acquisition expenses have been reported within the income statement immediately.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that are deemed to be an asset or liability are recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used in line with those used by other members of the Group.

Revenue recognition
Revenue is generated by providing urgent care services (including UTCs, GP out of hours and NHS 111), elective care services (including insourcing, outsourcing, AQP, community dermatology, physiotherapy and podiatry) and corporate wellbeing services. Services are provided through short-term and long-term contracts.

The IFRS 15 5 step revenue recognition criteria is applied as follows: identifying the contracts with customer, identifying performance obligation, determine the transaction price, allocate the transaction price to the performance obligation and the satisfying of performance obligation. This applies to all contracts with customers, except where they fully in the scope of other standards.

Elective care services
Revenue represents invoiced sales of services to regional Clinical Commissioning Groups of the National Health Service as well as non-NHS clients. Revenue is recognised as services are provided. Revenue is recognised in the month when the service is provided, as this is the point when revenue activity can be reliably measured. For the NHS contracts, revenue can be subject to clawback adjustments based on performance against criteria as detailed in the individual contracts.

Urgent care services
Revenue is recognised in the month when the service is provided, as this is the point when revenue activity can be reliably measured. Revenue can be subject to clawback adjustments based on performance against criteria as detailed in the individual contracts.

Corporate wellbeing services
Revenue arises from provision of management services for corporate gyms and upfront monthly membership fees for gyms paid by individuals. Both are recognised in the month to which they relate.

Revenue primarily originates in the United Kingdom. A small amount that has been deemed to be immaterial for geographical segment disclosure arose from the Republic of Ireland during the year.

Finance income
Finance income comprises bank interest received, recognised on an accruals basis.

Finance costs
Finance costs comprise bank charges, interest on leases recognised under IFRS 16 and interest on the revolving credit facility utilised.

Property, plant and equipment
Property, plant and equipment is carried at cost less accumulated depreciation and any recognised impairment in value. Cost comprises the aggregate amount paid to acquire assets and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is calculated to write down the cost of the assets to their residual values by equal instalments over the estimated useful economic lives as follows:

Motor vehicles	- 3 and 5 years
Computer equipment	- 2 and 5 years
Plant and machinery and Office equipment	- 2 to 5 years
Freehold property improvements and short leasehold property	- 3 to 10 years

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, on an annual basis. An asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the period that the asset is derecognised.

Inventories
Inventories are valued at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes all direct expenditure based on a normal level of activity. Net realisable value is the price at which the stocks can be sold in the normal course of business after allowing for the costs of realisation and where appropriate for the costs of conversion from its existing state to a finished condition.

Intangible assets other than goodwill

Intangible assets other than goodwill
Intangible assets other than goodwill comprise development costs, computer software and customer contracts and relationships.

Computer software is recognised at cost and subsequently amortised over its expected useful economic life of three years.

Customer contracts and the related customer relationships were acquired in business combinations and recognised separately from goodwill. They are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, these assets are amortised over the expected life of contracts and reported at cost less accumulated amortisation and accumulated impairment losses. Assets are reviewed for impairment on at least an annual basis.

Goodwill
Goodwill represents the excess of the fair value of the consideration of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is considered to have an indefinite useful life. Goodwill is tested for impairment annually and again whenever indicators of impairment are detected and is carried at cost less any provision for impairment.

Impairment of non-current assets
For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU"s) or groups of CGUs that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

The value of the goodwill was tested for impairment during the current financial year by means of comparing the recoverable amount of each CGU or group of CGUs with the carrying value of its goodwill.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Trade and other receivables
Trade receivables, which are generally received by the end of the month following terms, are recognised and carried at the lower of their original invoiced value less provision for expected credit losses.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less.

Trade and other payables
Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are recognised at original cost.

Borrowings
Borrowings are initially recognised at fair value, being proceeds received less directly attributable transaction costs incurred. Borrowings are subsequently measured at amortised cost with any transaction costs amortised to the income statement over the period of the borrowings using the effective interest method.

Foreign currency transactions
Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the period end are translated at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Leased assets
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed lease payments. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset with similar terms, security and conditions.

Lease payments are allocated between principal and finance costs. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, and any initial direct costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all leases of assets considered low value are recognised as an expense in profit or loss on a straight-line basis. Short-term leases are leases with a lease term of twelve months or less.

Exceptional items
Exceptional items are those items that, in the Directors' view, are required to be separately disclosed by virtue of their size or incidence to enable a full understanding of the Group's financial performance.

Income taxes
Current income tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the period-end date. Deferred income tax is recognised using the balance sheet liability method, providing for temporary differences between the tax bases and the accounting bases of assets and liabilities. Deferred income tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the period when the liability is settled and the asset is realised, based on tax rates and laws enacted or substantively enacted at the period-end date.

Deferred income tax liabilities are recognised for all temporary differences, except for an asset or liability in a transaction that is not a business combination, and at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred income tax is charged or credited to the income statement, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity. Deferred income tax assets and liabilities are offset against each other only when the Company has a legally enforceable right to do so.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Retirement benefits
The Group operates a defined contribution plan. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity. Contributions payable to the plan are charged to the income statement in the period to which they relate. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Share-based payments
The Group provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The fair value of the employee services rendered is determined by reference to the fair value of the shares awarded or options granted. Share options are valued using the Black-Scholes pricing model, or the Monte Carlo model where performance-based market vesting conditions apply. This fair value is charged to the income statement over the vesting period of the share-based payment scheme, with the corresponding increase in equity.

The value of the charge is adjusted in the income statement over the remainder of the vesting period to reflect expected and actual levels of options vesting, with the corresponding adjustment made in equity.

New and amended standards adopted by the Group

The accounting policies adopted are consistent with those of the previous financial year. New or amended financial statements or interpretations adopted during the year are detailed below:

- IAS 1 and IFRS Practice statement 2: Amendments regarding the disclosure of Accounting Policies;
- IAS 8: Amendment to definition of accounting estimates;
- IAS 12: Amendments to deferred tax related to assets and liabilities arising from a single transaction; and
- IAS 12: Amendments relating to international tax reform - Pillar Two Model rules.

No material impact has arisen as a result of applying these standards.

Standards, interpretations and amendments not yet effective

There are no applicable standards, amendments and interpretations which are effective for reporting periods beginning after the date of these financial statements and have not been early adopted.

4. EARNINGS PER SHARE

	31 March 2024			31 March 2023		
	Earnings	**Basic earnings per share**	**Diluted earnings per share**	Earnings	Basic earnings per share	Diluted earnings per share
	£'000			£'000		
Profit before exceptional items	(2,260)	**(1.15)p**	**(1.15)p**	2,346	**1.23p**	**1.22p**
Effect of exceptional items	(874)	**(0.45)p**	**(0.45)p**	(562)	**(0.29)p**	**(0.29)p**
Profit attributable to owners of the parent	(3,134)	**(1.60)p**	**(1.60)p**	1,784	**0.94p**	**0.93p**

	2024	2023
	000s	000s
Weighted average number of ordinary shares	196,464	190,836
Dilutive effect of shares from share options	15	3,238
Fully diluted weighted average number of ordinary shares	196,479	194,074

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. Dilutive potential ordinary shares are those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the period. For diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares unless there is a loss before exceptional items.

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