January 2016

OUTLOOK

UK Healthcare

HealthInvestor Growth Company Award 2015

AlixPartners
When it really matters.

The HealthInvestor Growth Company Report 2015

Contents

Foreword

The last three years have proven relatively volatile in the health and social care market, with a mixture of funding and regulatory pressures and an unpredictable political environment making it tough for many firms in the sector.

Despite these factors, however, there have also been a number of star performers who have been able to succeed despite the odds. To recognize this, AlixPartners and HealthInvestor have worked together for the third year in a row to bring you this Growth Company Report.

The 2015 HealthInvestor Growth Company Report – which lists the 25 healthcare companies with the highest compound annual growth rate (by EBITDA) over three years – is certainly a product of its time. Dominated by staffing firms, the 2015 crop highlights a number of fantastic businesses that have not only benefited from a competitive market environment for staffing agencies, but have done so with aplomb, separating themselves within a crowded and competitive market.

It's no secret that a combination of wage and costs pressures, coupled with a severe staffing shortage, has hit the earnings of mainstream providers hard. It seems not a week goes past without another stark warning from social care leaders about the potentially devastating consequences of the national living wage being implemented without suitable funding increases.

And rightly so. As opposed to previous industry cycles, where businesses ran into problems with debt gearing or onerous rental agreements, the national living wage has the potential to put a large swathe of providers out of business virtually overnight.

It is against this context, then, that the 25 companies on this list deserve a huge amount of praise. Not least the care home groups and domiciliary care firms that have been able to defy the prevailing market conditions, or the niche players thriving in dentistry or fertility.

Because regardless of how the market evolves over the next three years, it's imperative that operators within the sector find a way to deliver growth and attract investment into the sector. The health and social care sectors need success stories to attract capital – and luckily here are 25 shining examples of just that.

Congratulations once again to all of the companies that have made the top 25 in 2015.

Vernon Baxter, Managing Director – Investor Publishing Ltd

Top 25 list

RANK 2015	RANK 2014	COMPANY	TURNOVER (£M)	THREE-YEAR ADJUSTED EBITDA CAGR (%)
1	New	ID Medical	123.9	48.65
2	New	A24 Group	89.6	48.61
3	New	Newcross Healthcare Solutions	45.4	47.49
4	New	Country Court Care	16.5	37.80
5	New	Graham Care Group	22.8	35.02
6	New	Interact Medical	42.1	30.54
7	New	Integrated Dental Holdings	534.2	23.01
8	New	Witherslack Group	34.7	22.26
9	New	Aspirations	31.2	21.47
10	New	Mayday Healthcare	66.6	21.42
11	New	Interserve Healthcare	49.4	20.17
12	2	Midshires Care (trading as Helping Hands)	33.8	19.27
13	New	The Doctors Laboratory	70.6	18.46
14	3	Gold Care Homes	24.1	17.23
15	New	HMC Group	32.2	16.80
16	New	Abbey Total Care Group	13.7	14.99
17	5	Sevacare	61.4	14.94
18	4	TLC Group	21.1	14.17
19	New	Ramsay Health Care UK	374.6	13.47
20	15	Runwood Homes	105.7	13.06
21	16	Rodericks	26.2	10.67
22	7	Westminster Homecare	35.9	10.67
23	6	Maria Mallaband Care Group	62.8	9.49
24	New	CareTech	123.3	9.43
25	New	CARE Fertility	30.1	9.41

Source: AlixPartners analysis, publicly available information

Methodology

Profit measure

Profit is measured as adjusted EBITDA, which is defined as earnings before interest, taxation, depreciation, amortisation and exceptional items with directors' remuneration added back to remove any distortion created by the means through which cash may be extracted, principally from private companies.

Timeframe

Profit growth is measured by compound annual growth rate (CAGR) over three years, based on statutory accounts. The analysis had a cut-off date of 30 September 2015 for account filing. Companies that have filed 2015 accounts will have profit measured from 2012 to 2015, while for companies that have not yet filed 2015 accounts, profit growth is measured for the period three years prior to the latest filed accounts.

Qualifying companies

Qualifying companies must have had turnover of at least £10 million and adjusted EBITDA of at least £1 million in the base year from which profit growth is calculated.

Companies must be registered in the UK.

Companies that have grown through acquisition qualify for inclusion.

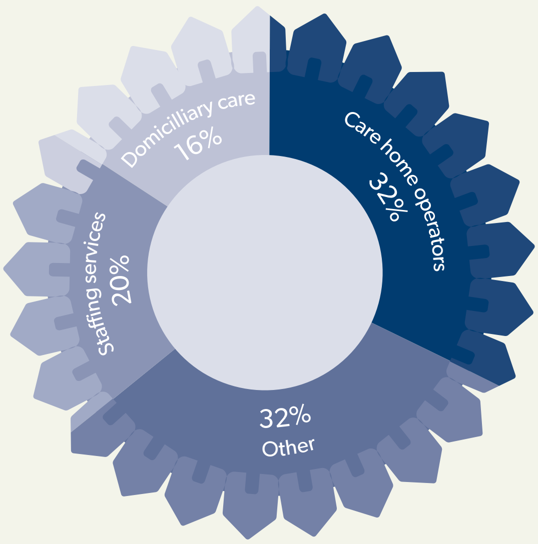
Subsidiaries of quoted companies are included to the extent that the financial results of the relevant subsidiary are reported separately.

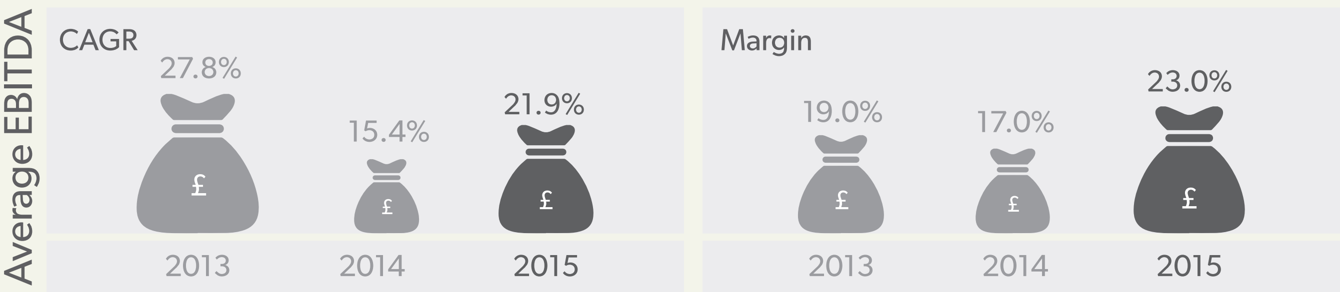
Key trends

17 new entrants in this year's list
(13 new entries in 2014)

Top 25

Five companies have ranked in the **Top 25** for **three years** in a row





	AVERAGE EBITDA CAGR BY SUB-SECTOR FOR TOP 25		
SECTOR SPLIT	**2013**	**2014**	**2015**
Staffing services	n/a	30.6%	39.3%
Residential/nursing care	22.7%	15.7%	19.8%
Specialist care services	29.5%	11.0%	17.7%
Dentistry	n/a	10.2%	16.8%
Domiciliary care	30.8%	24.3%	16.3%
Clinical services	48.7%	11.1%	13.9%
Private hospitals	n/a	10.4%	13.5%
Fostering services	14.4%	16.7%	n/a
Total	**27.8%**	**15.4%**	**21.9%**

Company profiles

1. ID Medical

Adjusted EBITDA CAGR:	48.65%
Turnover:	£123.9 million
Ownership:	Privately owned
Key personnel:	Deenu Patel (Managing Director)

With an adjusted EBITDA growth rate just 0.04% higher than the second placed entry, the winner of the 2015 HealthInvestor Growth Company Award is healthcare staffing provider ID Medical, which recorded a very impressive adjusted EBITDA growth rate of 48.65% in the period under review.

ID Medical was incorporated in 2002 and started business as a small off-contract locum doctor's agency in Central London. After four years of trading and with the demand for its services growing considerably, the business relocated to Milton Keynes and this move was soon followed by the securing of its first national contract.

The business has since gone from strength to strength and with the roll-out of specialist sub-brands, such as ID Medical International and ID Medical Nurses and the opening of a new branch in Central London, ID Medical is now recognised as a high quality supplier to the healthcare sector of locum doctors, nurses, allied health professionals (AHP) and clerical staff. Given its reputation, ID Medical holds preferred supplier contracts with over 80% of NHS hospitals, supplying over 1.2 million hours per annum to the NHS and the private medical sector.

A key attraction to ID Medical's customers appears to be that within each of its professional divisions, it has dedicated client and candidate teams that cover the multitude of medical specialties and roles to ensure a premier level of service, which ultimately ensures patients are always put first.

However, it is not just excellent levels of customer service that makes ID Medical stand out as the business also provides market leading support to its bank of medical staff. In 2014, management launched the educational and medical training facility, ID Medical School, to offer candidates Continuing Professional Development accredited courses and workshops to enhance their medical careers.

ID Medical's latest annual report highlights what a strong 2014 it had, with revenue growth of 45% driving a 60% increase in operating profit. Whilst all of its divisions performed well, the expansion of its nurses and AHP divisions proved to be particularly growth enhancing.

With the 2015 HealthInvestor Growth Company Award adding to what is already an impressive trophy cabinet, the management team at ID Medical could be taking frequent calls from private equity investors who will be keen to help the business take the next step in its lifecycle.

2. A24 Group

Adjusted EBITDA CAGR:	48.61%
Turnover:	£89.6 million
Ownership:	Privately owned
Key personnel:	Penny Streeter OBE (CEO)

Beaten to first place by just 0.04%, A24 Group can be proud of its performance in this year's HealthInvestor Growth Company Report. The group has been trading since 1996 and is today recognised as a leading provider of healthcare staffing services in the UK which accounts for approximately 90% of its total revenue) and South Africa. The business employs over 350 recruiters who have access to 27,500 healthcare personnel including locum doctors, nurses, allied health professionals and social workers. The group's clients include healthcare establishments in both the public and private sector.

A24 Group's strong financial performance has been enhanced through the successful integration of its 2010 acquisition, The British Nursing Association, as well as a host of internal initiatives to improve margins and realise operational efficiencies. This work has enabled the business to capitalise on the significant growth in demand for agency staff in recent years given the severe shortage of healthcare professionals across the sector.

3. Newcross Healthcare Solutions

Adjusted EBITDA CAGR:	47.49%
Turnover:	£45.4 million
Ownership:	Privately owned
Key personnel:	Stephen Pattrick (CEO)

Newcross Healthcare Solutions, founded in 1996 by Michelle Gorringe and Stephen Pattrick, is one of the UK's most successful providers of temporary staffing solutions, placing nurses and ancillary staff into a range of care settings including hospitals, care homes and individuals' homes. The business currently operates 40 branches and its 230 employees have access to over 4,300 healthcare professionals.

To take advantage of the growing demand for locum staff, management took the strategic decision to expand the network with 14 branches opened since 2012. This expansion, as well as some sizeable contract wins have helped Newcross Healthcare Solutions to deliver an impressive three year adjusted EBITDA CAGR of 47.49%. Its market presence, coupled with a strong focus on quality, which has delivered an impressive client satisfaction rate of 99.8%, makes Newcross Healthcare Solutions one of the stand-out operators in the healthcare staffing market.

Company profiles (cont'd)

4. Country Court Care

Adjusted EBITDA CAGR:	37.80%
Turnover:	£16.5 million
Ownership:	Privately owned
Key personnel:	Abdul Kachra (CEO)

Country Court Care, owned by the Kachra family, operates a portfolio of 19 care homes across four counties in England that provide residential, nursing and dementia care for the elderly, as well as a successful domiciliary care business in Peterborough and the surrounding areas.

Management's strategy has been to acquire under-performing care homes and then rejuvenate them through refurbishment and the introduction of the company's high standards of care quality. Management has made clear its intentions to continue to grow the business, with its acquisition of two homes in February 2015 being followed by the acquisition of a further three homes in Lincolnshire in November.

A top five finish in the 2015 HealthInvestor Growth Company Report represents the second time that Country Court Care has been recognised by HealthInvestor this year, with the business having already won the Residential Provider of the Year at the 2015 HealthInvestor Awards in June.

5. Graham Care Group

Adjusted EBITDA CAGR:	35.02%
Turnover:	£22.8 million
Ownership:	Privately owned
Key personnel:	Ernie Graham and Dr Karen Graham (Founders)

The Graham Care Group owns and operates seven nursing homes in South East England that cater for over 500 residents with high dependency long-term care needs, ranging from young people with severe disabilities to elderly people with dementia. A key selling point of the business is its purpose built 'care suite' concept, which provides residents with more living space than industry standard bedrooms by way of additional social space including a kitchen and dining area.

Since 2012, the group has delivered substantial profit growth which has primarily been achieved through the opening of two new homes, Hazeldene House and Woodchurch House, and the re-development of its Hailsham House home. With plans in place to increase the group's capacity to over 1,000 beds by 2018 and the operational maturing of its recently opened and refurbished homes, Graham Care Group looks set to further flourish in the years ahead.

6. Interact Medical

Adjusted EBITDA CAGR:	30.54%
Turnover:	£42.1 million
Ownership:	Privately owned
Key personnel:	Graham Grant (CEO)

Interact Medical is recognised as one of the leading independent suppliers of temporary and permanent medical staffing solutions to the NHS and private healthcare operators in the UK. The business focuses on fulfilling locum doctors, allied health professionals and agency nurses across all specialities, bands and grades and has recently achieved recognition as one of the top 500 recruitment companies across the globe.

With the staffing sector experiencing high levels of demand, Interact Medical has benefitted from being on all national frameworks. Key attractions of the business to its clients include a highly experienced workforce and a robust technology platform through which NHS trusts can accept or reject CVs from multiple sources. Management also has a focus on compliance standards with approximately 20% of Interact Medical's employees working in its compliance department.

With such an impressive collection of key client relationships, the business looks set for further growth whilst the demand for healthcare staff remains unchecked.

7. Integrated Dental Holdings

Adjusted EBITDA CAGR:	23.01%
Turnover:	£534.2 million
Ownership:	The Carlyle Group and Palamon Capital Partners
Key personnel:	Terry Scicluna (CEO)

Integrated Dental Holdings is Europe's largest vertically integrated dental group. The group has two distinct divisions, with patient services, operating under the mydentist brand, comprising over 650 practices, and practice services operating the Dental Directory and Dental Buying Group (DBG) businesses.

The group has experienced spectacular growth since coming under the ownership of The Carlyle Group and Palamon Capital in 2011. In April 2013, the business acquired DBG, which provides training, audits and supply and maintenance of specialist materials to the healthcare sector. This was followed by the acquisition of The Dental Directory, a dental products supplier in April 2014.

In addition to these acquisitions, management has continued to grow the portfolio of practices, with 66 practices added in the last year alone. The estate is also in the process of being rebranded as mydentist, with the rollout expected to be completed by April 2016.

Rumours of a proposed IPO resurfaced last summer but the market chatter has once again subsided. However, it cannot be too long until this next step is taken.

8. Witherslack Group

Adjusted EBITDA CAGR:	22.26%
Turnover:	£34.7 million
Ownership:	Livingbridge and management
Key personnel:	Phil Jones (CEO)

Witherslack Group has been providing special education and residential services to children and young people since 1972. The business is today recognised as a leading provider of complex care services for children and young people with social, emotional and mental health needs, communication difficulties and learning needs.

In January 2011, Livingbridge provided development capital to the business which has helped management to grow the estate to 11 schools (both day and residential) and 11 homes. The high standards of the group's facilities are matched by the acute focus on care quality. This is demonstrated by the fact that 20 of the group's services currently have a 'Good' or 'Outstanding' Ofsted rating, with the remaining two services currently awaiting their first full inspection.

With high-quality services, a focus on more complex care needs and the support of LivingBridge, Witherslack Group has extremely exciting prospects.

9. Aspirations

Adjusted EBITDA CAGR:	21.47%
Turnover:	£31.2 million
Ownership:	August Equity and management
Key personnel:	Stephen Booty (Chairman); Christine Cameron (CEO)

Aspirations provides a variety of community care services for children, young people and adults who have complex and special needs including learning disabilities, autism and mental health needs. The services are provided either in the service users' own home or at Aspirations' residential facilities.

The business was formed as a community care provider in 2011 from a spin-out of the learning difficulties business of Active Assistance and part of the Enara business. At the time, both of these businesses were backed by August Equity and a year following the creation of Aspirations, August Equity backed a BIMBO.

With the support of August Equity, the management team has been on the acquisition trail with five companies purchased in the two years ending March 2014. These included the acquisition of The Leaving Care Company which operates in the growing market of transitional services for young people coming out of the care system.

10. Mayday Healthcare

Adjusted EBITDA CAGR:	21.42%
Turnover:	£66.6 million
Ownership:	Privately owned
Key personnel:	Kevin Coyle (CEO)

Mayday Healthcare is a leading nursing agency in the UK providing around the clock, temporary healthcare recruitment services to the public sector and private sector organisations including Spire Group and BMI Hospitals. The company operates through a network of eight registration offices across the UK and has a database of over 7,000 healthcare professionals.

The business was co-founded by university friends Nick Poturicich and Charles Safapour in 2003 with the financial support of Kevin Coyle. Diversification into other markets and geographies, combined with high demand for healthcare professionals driven by staff shortages in the sector has seen Mayday Healthcare grow considerably in each of its core markets of hospitals, secure environments, nursing and care homes.

11. Interserve Healthcare

Adjusted EBITDA CAGR:	20.17%
Turnover:	£49.4 million
Ownership:	Interserve Plc (listed on the London Stock Exchange)
Key personnel:	Rob Kellett (Managing Director)

Interserve Healthcare, formerly trading as Advantage Healthcare, is one of the UK's leading providers of healthcare and social care workers and also provides domiciliary care services ranging from personal to complex care. The company operates through a network of 26 branches and supports adults, children and young people with conditions including spinal injuries, learning disabilities and mental health problems.

Having been formed in 1998, the business went through various ownership changes which led to Rutland Partners acquiring the business from BUPA Healthcare in 2009. Rutland Partners worked with management to deliver a turnaround which subsequently resulted in the business being sold to Interserve plc, a FTSE 250 company, in 2012.

In 2014, management took the decision to rebrand the business from Advantage Healthcare to Interserve Healthcare. With the benefit of operating under the Interserve brand, the business is looking to accelerate growth through exploiting business development opportunities, expanding into new geographical areas and realising operational efficiencies.

Company profiles (cont'd)

12. Midshires Care (trading as Helping Hands)

Adjusted EBITDA CAGR:	19.27%
Turnover:	£33.8 million
Ownership:	Privately owned
Key personnel:	Tim Lee (CEO); Ben Lee (COO)

Runner-up in the 2014 HealthInvestor Growth Company Report and a place in our top 25 for a third consecutive year, Midshires Care (trading as Helping Hands), is a market leading provider of domiciliary care services across England and Wales. The business provides short-visit and specialist live-in care services for people affected by dementia, as well as complex care for individuals with conditions including acquired brain injury, Parkinson's, cancer and cerebral palsy.

Whilst management has grown the business through the opening of branches, the focus has primarily been on driving internal improvements, which have included re-designing training methods to enhance the quality of care and investing in new IT and management systems.

With the UK's ageing population valuing the opportunity to maintain independence through assisted living, Midshires Care looks well-positioned to capitalise on this trend.

13. The Doctors Laboratory

Adjusted EBITDA CAGR:	18.46%
Turnover:	£70.6 million
Ownership:	Sonic Healthcare Limited (listed on the Australian Stock Exchange)
Key personnel:	David Byrne (CEO)

The Doctors Laboratory (TDL) is a subsidiary of the Australian Stock Exchange listed business, Sonic Healthcare, one of the world's largest medical diagnostic companies. In the UK, TDL is the largest provider of clinical laboratory diagnostic services, providing its public and private sector clients with laboratory information required for diagnosis and treatment of medical disorders.

Growth in recent years has been achieved through an increased level of NHS pathology work. Most notably, with TDL's market leading experience in large-scale clinical laboratory operations, the business formed ground-breaking partnerships with University College London Hospitals Foundation Trust and the Royal Free London Foundation Trust, to provide state of the art pathology and analytics services to the NHS.

The NHS has identified the pathology sector as a possible source of efficiencies and with the NHS funding shortfall continuing to increase, TDL is well placed to deliver even better growth in the coming years.

14. Gold Care Homes

Adjusted EBITDA CAGR:	17.23%
Turnover:	£24.1 million
Ownership:	Privately owned
Key personnel:	Ravi Gidar; Sukhi Gidar

After finishing third in last year's HealthInvestor Growth Company Report with an adjusted EBTIDA CAGR of 27.6%, Gold Care has yet again delivered another set of strong results. Established in 1999, the business now operates 20 care homes across the Home Counties that provide residential, nursing, respite, palliative and dementia care for the elderly and adults with mental health needs.

The business acquired eight care homes from Viridian House in 2012 which have now been fully integrated into the group. Since then, management has opened a further three homes, taking total beds to approximately 1,200.

With management's ambition to continue the expansion of the portfolio, it would be no surprise to see Gold Care becoming a regular feature in the HealthInvestor Growth Company Report.

15. HMC Group

Adjusted EBITDA CAGR:	16.80%
Turnover:	£32.2 million
Ownership:	Privately owned
Key personnel:	Josephine McArdle (CEO)

HMC Group is owned by the McArdle family and provides nursing and residential care for the elderly in 17 high quality care homes in the North East of England. Through its five sub-divisions, the group delivers rehabilitation, palliative care, day-care and homecare services, whilst also operating its own maintenance service.

Through its Select Living offering, the business has developed 21 high quality apartments in a retirement community setting that comprise a mixture of one and two bedroom flats in the North East allowing customers to acquire a property with the benefit of ordering care services from the group.

Since the opening of its home in Whitley Bay in June 2014, management has revealed plans to open three more care homes, with the next home planned to open in Newcastle upon Tyne in the autumn of 2016. With a portfolio of high-quality homes that provide excellent standards of care, HMC Group is rightly regarded as a very impressive care home group.

16. Abbey Total Care Group

Adjusted EBITDA CAGR:	14.99%
Turnover:	£13.7 million
Ownership:	Privately owned
Key personnel:	Jay Patel (Managing Director)

Abbey Total Care Group owns and operates 11 care homes in outer London, providing a range of care services including nursing, dementia and respite care to both local authority and private pay residents.

Profit growth has primarily been delivered through the expansion and refurbishment of the estate, examples of which include the completion of its new care home in Hornchurch and the redevelopment of its Barnet home, collectively adding a further 70 beds to the portfolio. Management has set a target of growing the 300 bed estate to 1,000 beds within the next six years, with plans already in place for further acquisitions and redevelopments.

In addition to increasing its number of homes, the group is currently researching and devising an electronic monitoring system for acutely ill patients which will automatically read key health indicators, transmit data and trigger alerts to a central server. As the server will be remotely accessible to its staff, management expect significant cost savings, lower hospital admissions and safer supported discharge.

17. Sevacare

Adjusted EBITDA CAGR:	14.94%
Turnover:	£61.4 million
Ownership:	Privately owned
Key personnel:	Ravi Bains (CEO)

Sevacare, which finished in fifth place in the 2014 HealthInvestor Growth Company Report, delivers domiciliary care services across England and South Wales, providing approximately 100,000 hours of care support each week to over 7,700 people through its network of 48 branches. The business provides its services to adults and the elderly with learning and physical disabilities and mental health needs through approximately 4,000 carers.

Growth in recent years has been driven by a significant number of local authorities contract wins, to such an extent that the business had to increase its workforce by 18% in 2014. In April 2015, Sevacare acquired Basing Care, a home care provider in the Basingstoke region, which has expanded Sevacare's national footprint and further established the business as one of the leading domiciliary care providers in the UK.

18. TLC Group

Adjusted EBITDA CAGR:	14.17%
Turnover:	£21.1 million
Ownership:	Privately owned
Key personnel:	Paavan Popat (CEO)

TLC Group, which is making its third appearance in the HealthInvestor Growth Company Report, owns and operates a group of eight care homes in London, Hertfordshire, Surrey and Cambridge which provide care, nursing and specialist dementia services to the elderly.

TLC has preserved its place as one of the fastest growing companies in the healthcare sector through the continued maturity of the homes that were either opened or refurbished in the reporting period. The business has since added to its portfolio in 2015 through the opening of Camberley Manor care home in Surrey and Karuna Manor care home in Harrow & Wealdstone, which is geared towards the Hindu community.

With the business still relatively young, having only been formed in 2007, management has now started the process of strengthening the TLC brand. With the homes already benefitting from their prime locations and specialist service offerings, marketing the brand should help to boost the demand for TLC's services even further in the future.

19. Ramsay Health Care UK

Adjusted EBITDA CAGR:	13.47%
Turnover:	£374.6 million
Ownership:	Ramsay Health Care Limited (Listed on the Australian Stock Exchange)
Key personnel:	Mark Page (CEO)

Ramsey Health Care UK is recognised as one of the leading providers of independent hospital services in the country, with 22 acute hospitals providing a range of clinical specialities such as orthopaedics, cardiac surgery and eye surgery. The business forms part of the wider Ramsey Health Care Group which was established in 1964 and is today listed on the Australian Stock Exchange, operating over 100 hospitals and day surgery facilities across the world.

Ramsey Health Care UK has grown from strength to strength in recent years, during which time its NHS patient volumes have experienced double digit growth. Earlier this year, the business partnered with GenesisCare, Australia's largest radiotherapy provider, to provide cancer care to patients and plans are being developed to build two new cancer centres in Sawbridgeworth and Chelmsford.

The business is committed to increasing volumes but also its complex procedure capabilities and has a £4.6 million capital expenditure plan to expand and upgrade facilities so these complex services can be provided. With the NHS struggling to cope with the burden of an ageing population, Ramsay Health Care UK could play a key role in supporting the nation's health service as the outsourcing of services from the NHS shows no signs of slowing.

Company profiles (cont'd)

20. Runwood Homes

Adjusted EBITDA CAGR:	13.06%
Turnover:	£105.7 million
Ownership:	Privately owned
Key personnel:	Gordon Sanders (CEO); Logan Logeswaran (Managing Director)

Runwood Homes has been operating since 1988 and now has a portfolio of 65 care homes and day care centres catering for up to 4,000 residents, with a focus on supporting people suffering from dementia. The business has become a regular in HealthInvestor's Growth Company Report, making it into the top 25 fastest growing companies in the healthcare sector for a third year in a row.

The creation of a 'Dementia Care Team' to enhance the quality of the service offering illustrates Runwood's commitment to delivering excellent service to its residents, which helps to explain its impressive average occupancy rate of 93%.

Since 2013, the business has invested over £10 million on developing new homes and upgrading existing homes in Northern Ireland and Warwickshire. Having recently secured a £120 million loan with Barclays and Santander to fund further expansion and maintenance across the estate, Runwood is not expected to show any signs of slowing down in the years ahead.

21. Rodericks

Adjusted EBITDA CAGR:	10.67%
Turnover:	£26.2 million
Ownership:	Privately owned
Key personnel:	Shalin Mehra (Managing Director)

Rodericks, which has been operating since the early 1990s, runs dental practices across the UK serving a full range of NHS and private patients.

Whilst the business primarily provides dental care, it has diversified into facial aesthetics, by forming a partnership with Ageless Visage. The business's facial aesthetics services include Botox and skin peels and are currently available in nine of the group's practices, with plans being considered to roll the offering out to other practices in the portfolio.

In recent years the business has grown to over 50 high quality and modern practices and the management team is determined to continue to drive this strategy through further acquisitions and successful tendering of NHS greenfield sites.

22. Westminster Homecare

Adjusted EBITDA CAGR:	10.67%
Turnover:	£35.9 million
Ownership:	Privately owned
Key personnel:	Sushil Radia (Managing Director)

Westminster Homecare provides domiciliary care to over 8,000 people of all ages, offering services including personal care, medication, domestic support and dementia care through a network of 25 branches across England. Through its 3,000 care workers, the business provides over 2.7 million hours of support to both privately funded and local authority supported individuals.

In the period under review, Westminster Homecare acquired Home Choice Care, a provider of live-in care services across the South East of England and also launched its Cheltenham branch. In addition, the business has been successful in a number of local authority tender processes and has recently been appointed on to the Framework Provider's list for the London Borough of Waltham Forest.

With a three year adjusted EBITDA CAGR of 10.7%, the business has made it into the top 25 fastest growing companies in the UK healthcare market for a third year in a row.

23. Maria Mallaband Care Group

Adjusted EBITDA CAGR:	9.49%
Turnover:	£62.8 million
Ownership:	Privately owned
Key personnel:	Phil Burgan (Chairman & CEO); Chris Ball (Managing Director)

Maria Mallaband Care Group (MMCG) is one of the UK's leading independent providers of care with a portfolio of over 60 homes across the UK, Northern Ireland and The Channel Islands. The group's homes cater for the elderly and adults with learning and physical disabilities.

In recent years, MMCG has developed purpose-built facilities across the UK with Chaucer House (Canterbury), Kingsbury Court (Bisley) and Wyndham Hall (Bicester) being recent examples.

The business has also gone through some material changes with the completion of a sale and leaseback transaction on 20 of its properties with the U.S. REIT, HCP, in June 2014 and the disposal of its autism support service business to Lifeways Group in April 2015. Having been a feature in our top 25 for the last three years, it will be interesting to see what impact these changes have on MMCG's financial performance going forward.

24. CareTech

Adjusted EBITDA CAGR:	9.43%
Turnover:	£123.3 million
Ownership:	Listed on the London Stock Exchange
Key personnel:	Farouq Sheikh (Executive Chairman); Haroon Sheikh (CEO)

CareTech is a leading specialist provider of social care to children and adults in the UK, which currently operates through the following five divisions; Adult Learning Disabilities, Mental Health, Foster Care, Young People Residential Services and Learning Services.

Having been under private and then private equity ownership since its formation in 1993, the group was eventually listed on the London Stock Exchange in 2005. Since then, the business has grown its range of services and extended its geographical coverage through bolt-on acquisitions which helped it grow to over 2,000 places by the end of 2014.

CareTech's most notable transaction in the period under review was the purchase of a freehold property portfolio comprising 28 properties from The Quercus Healthcare Property Partnership. More recently the business raised £21 million in March 2015 through a share placement in order to fund a number of organic growth projects and potential bolt-on acquisitions. This was followed by the acquisition of specialist children's care providers Spark of Genius in early 2015 and ROC North West in December 2015, so the group looks well planned for further growth.

25. CARE Fertility

Adjusted EBITDA CAGR:	9.41%
Adjusted EBITDA:	£9.4 million
Turnover:	£30.1 million
Ownership:	Bowmark Capital and management
Key personnel:	Harvey Ainley (CEO)

CARE Fertility is a leading provider of fertility treatments, genetic diagnosis, embryo screening techniques and associated fertility preservation procedures and currently operates seven full service clinics and 20 satellite centres across England and Ireland.

Bowmark Capital supported the management buy-out of the business in June 2012 and since then, CARE Fertility has added a new clinic in Dublin and broadened its geographic coverage in the South East of England through the acquisition of two established IVF providers; Centre for Reproductive Medicine Limited in London in 2013 and South East Fertility Clinics in Tunbridge Wells in June 2014.

Despite the increasingly competitive nature of this niche sector and market pressures to cap IVF costs, CARE Fertility's reputation as a leader in technological advancements and its exceptional clinical success rates have helped it to deliver strong results. With the financial and operational support of Bowmark Capital and a new CEO on board, CARE Fertility could be one to follow.

Conclusion

It was a real honour to present the 2015 HealthInvestor Growth Company Award at the HealthInvestor Power Fifty Awards dinner held on 25 November 2015. The award, which is now in its third year, recognises the UK's top 25 independent healthcare companies based on their adjusted EBITDA growth over their last three reported financial years.

In this year's report we have seen a deluge of new entrants, particularly in the area of healthcare staffing, and a number of names making the list for the third year in a row, thus cementing their position as leading operators in the UK healthcare sector.

In last year's report, as well as highlighting the operational challenges we commented on the degree of confidence returning to the sector, with greater funding availability, a healthy M&A market and the return of the healthcare IPO. This optimism continued into the first half of 2015 with a number of notable transactions including HC-One's acquisition of Meridian Healthcare, Tenet Healthcare and Healthcare REIT's acquisition of Aspen Healthcare and Lifeway's buying Care UK's learning disabilities division. These transactions were completed against the backdrop of a pending UK election which was expected to be an extremely close run race that commentators were struggling to predict the outcome of.

However, since the Conservatives' majority victory at the polls, the mood in the sector has dampened somewhat. Whilst George Osborne's National Living Wage announcement in July is partly to blame for this, the sector continues to be faced with further funding squeezes, a more challenging regulatory environment and, most significantly, a severe shortage of healthcare professionals to serve the industry.

The Government's comprehensive spending review did not provide a clear answer to the challenging funding issue that is at the top of most operators' agenda driven by the National Living Wage announcement. However, even if the review had eliminated some of the funding pressure, it couldn't have fixed what is becoming a chronic straffing problem in many areas of the sector.

Given the above, it is perhaps no surprise that healthcare staffing companies have come to the fore in this year's HealthInvestor Growth Company Report, with the first three places in the top 25 occupied by companies providing healthcare personnel to the public and private sector. However, where there is a yin there is a yang and the bumper profits being earned by some of the staffing providers are driving down the profits of healthcare operators who have become overly reliant on locum or agency staff in recent years. By taking a look at the recent trading results of some of the largest care home groups in the UK, you can see the material impact that rising staff costs are having on profits. Whilst the Government is drawing up battle plans against healthcare staffing companies, the chronic staffing issue isn't going to go away overnight. How this plays out in the medium term will be extremely interesting to watch.

Whilst there are problems that need to be overcome, the UK's healthcare sector includes a significant number of resilient businesses that are operated by high quality management teams. The idea behind the HealthInvestor Growth Company Report is to recognise these companies and salute the fantastic work their staff perform in what can be a difficult sector to operate. These companies continue to find innovative ways to deal with sector issues that arise and are often able to attract growth capital to help them become market leaders in their respective sub-sectors. AlixPartners offers its congratulations to the employees, management teams, equity providers and lenders of all the companies that have made it into this year's top 25, particularly our winner, ID Medical.

Matthew Flower is a Director at AlixPartners, the leading global advisory firm. He has been a corporate finance professional for over 15 years and heads the firm's UK healthcare practice.

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