

# Cello Health PLC

08:40 09 Feb 2015

## Cello Group says tax man has widened scope of VAT probe

The VAT oversight at one of its subsidiaries referred to in Cello's (LON:CLL) 22 January trading update may be bigger than first thought.

The company has received guidance from the tax man that the scope of the impending review may now include a wider range of items sold to charity clients of Cello subsidiary Cello Signal.

The detailed contracts and invoices have not yet been reviewed by the authorities, but the company conceded that the maximum potential liability could now in theory be in excess of the £1mln to £2mln range indicated at the time of the pre-close trading update, though it considers the possibility remote.

The marketing group said that Cello Signal had been acting in good faith in not charging VAT on certain items to charity clients and that it intends to robustly defend its historical position on the issue, which it believes has been in line with received historical industry-wide practice.

The board of Cello maintains that any backdated VAT assessment arising would be substantially contractually recoverable from clients should this be appropriate.

Cello's shares were down 3% at 88.25p in mid-afternoon trading.

**Price:** 129

**Market Cap:** £137.53 m

### 1 Year Share Price Graph



November 2018 May 2019 November 20

### Share Information

**Code:** CLL

**Listing:** AIM

**52 week High Low**  
140.065 95

**Sector:** Pharma & Biotech

**Website:** [cellohealth.com](http://cellohealth.com)

### Company Synopsis:

*We are a global healthcare-focused advisory group comprised of a set of leading clinical, commercial advisory and digital delivery capabilities. We currently service 24 of the top 25 pharmaceutical clients globally as well as a wide range of biotech, diagnostics, devices and other key non-healthcare clients.*

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