

Company Registration No. 01837551 (England and Wales)

Metabolic Services Limited

Trading as London Medical

Annual report and unaudited financial statements

For the year ended 28 February 2017

Pages for filing with registrar

**METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
COMPANY INFORMATION**

Directors

N V Abraham
A Amin
D J McLaren
G P Wyatt
C V Abraham
R R Abraham
D Briggs

Secretary

MGRWK Company Secretaries Limited

Company number

01837551

Registered office

Clearwater Court
49 Marylebone High Street
London
W1U 5HJ

Accountants

MGR Weston Kay LLP
55 Loudoun Road
St John's Wood
London
NW8 0DL

Bankers

Royal Bank of Scotland Plc
28 Cavendish Square
London
W1G 0DB

**METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
CONTENTS**

	Page
Strategic report	1
Balance sheet	2 - 3
Notes to the financial statements	4 - 8

**METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
STRATEGIC REPORT**

FOR THE YEAR ENDED 28 FEBRUARY 2017

The company made further progress on a number of fronts during the year ending 28 February 2017.

All primary streams of revenue increased during the year, as has EBITDA. To some degree this has been offset by increased staff and marketing costs. The balance sheet continues to strengthen.

As mentioned last year, we succeeded in letting out most of the lower ground floor to a premium fitness studio, without any detrimental effect on our operations.

During the year we decided to turn our enviable reputation for the advanced treatment of diabetes and its related conditions into a more marketable entity, The London Diabetes Centre. This has meant re-thinking our marketing and website. We now have 24 specialists dealing with every branch of diabetes and endocrinology and have strengthened our position as the leading UK private clinic in this critical sector.

Other initiatives over the year included the preparation of a new patient management system, which has now been implemented; and improved entrance signage. Further investment in IT and the latest equipment will take place in due course.

We are responding to enquiries from other countries to exploit the potential of our world-leading expertise in diabetes.

On behalf of the board

N V Abraham

Director

24 November 2017

METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
BALANCE SHEET

AS AT 28 FEBRUARY 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	3	1,273,684	1,247,700
Current assets			
Stocks		107,724	105,459
Debtors	4	806,071	933,101
Cash at bank and in hand		724,806	453,916
		<u>1,638,601</u>	<u>1,492,476</u>
Creditors: amounts falling due within one year	5	<u>(1,977,944)</u>	<u>(1,836,212)</u>
Net current liabilities		<u>(339,343)</u>	<u>(343,736)</u>
Total assets less current liabilities		<u>934,341</u>	<u>903,964</u>
Creditors: amounts falling due after more than one year	6	<u>(173,664)</u>	<u>(183,973)</u>
Net assets		<u><u>760,677</u></u>	<u><u>719,991</u></u>
Capital and reserves			
Called up share capital	7	130	130
Share premium account		476,895	476,895
Profit and loss reserves		283,652	242,966
Total equity		<u><u>760,677</u></u>	<u><u>719,991</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 28 February 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

**METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
BALANCE SHEET (CONTINUED)**

AS AT 28 FEBRUARY 2017

The financial statements were approved by the board of directors and authorised for issue on 24 November 2017 and are signed on its behalf by:

N V Abraham
Director

Company Registration No. 01837551

METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

Company information

Metabolic Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Clearwater Court, 49 Marylebone High Street, London.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 28 February 2017 are the first financial statements of Metabolic Services Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 March 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold Land and buildings	Straight line over the life of the lease
Plant and machinery	Straight line over 4 years
Fixtures, fittings & equipment	Straight line over 5 to 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at transaction price.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 39 (2016 - 35).

METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2017

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 March 2016	1,670,170	612,447	2,282,617
Additions	42,296	222,177	264,473
	<hr/>	<hr/>	<hr/>
At 28 February 2017	1,712,466	834,624	2,547,090
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 March 2016	769,285	265,632	1,034,917
Depreciation charged in the year	113,911	124,578	238,489
	<hr/>	<hr/>	<hr/>
At 28 February 2017	883,196	390,210	1,273,406
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 28 February 2017	829,270	444,414	1,273,684
	<hr/>	<hr/>	<hr/>
At 29 February 2016	900,885	346,815	1,247,700
	<hr/>	<hr/>	<hr/>

4 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	419,645	637,222
Other debtors	386,426	295,880
	<hr/>	<hr/>
	806,071	933,102
	<hr/>	<hr/>

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	1,434,818	1,607,237
Other taxation and social security	32,185	14,422
Other creditors	510,941	214,553
	<hr/>	<hr/>
	1,977,944	1,836,212
	<hr/>	<hr/>

METABOLIC SERVICES LIMITED
TRADING AS LONDON MEDICAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2017

6 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	173,664	183,973
	<u>173,664</u>	<u>183,973</u>

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
130,000 Ordinary shares of 0.1p each	130	130
	<u>130</u>	<u>130</u>

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
	4,526,027	5,160,836
	<u>4,526,027</u>	<u>5,160,836</u>

9 Parent company

The ultimate controlling parties, which remain unchanged from the previous year, were the directors R Abraham and C Abraham by virtue of their majority shareholding in the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.