

Involve Visual Collaboration Limited

Strategic report, Directors' report and
financial statements

Registered number 2383157

31 December 2017

MONDAY



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COMPANIES HOUSE

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Strategic report

The directors present their strategic report for the year ended 31 December 2017.

Principal activities

The principal activity of the Group during the period was the selling and maintenance of audio-visual collaboration equipment and services.

Business review

Turnover for the year ended 31st December 2017 was £12,270,700 (2016: £13,216,922) and Group profit before tax was £295,989 (2016: £1,023,022), as set out in the profit and loss account on page 7 of the financial statements. The retained profit for the period was £368,631 (2016: £803,679).

The trading performance over the past twelve months reflects a competitive market place, in which the Group has improved upon already strong gross margins.

The company continues to use a successful sales engagement model, which includes strategic diversification into new market sectors as well as the development of existing sectors. To further capitalise on our increased market penetration, additional technology and service offerings have been added to our product portfolio and have helped generate new revenue streams.

Key performance indicators

Our key performance indicators are measured and monitored monthly by the management team to ensure objectives are met and to provide focus for continual improvement. Examples of these indicators are as follows:

- The delivery of services on time and to the highest standards.
- The building and maintaining of strong customer relationships.
- The development of our staff to ensure that they maximise their potential.
- To adhere to the policies set out by our quality management system.

Trends and factors that are likely to affect performance:

The increasing need for businesses and their personnel to communicate and collaborate more effectively both internally and externally will help the Group's performance in terms of customer retention and growth in customer base. Current economic drivers are focussing business managers to find more flexible and efficient ways in which key stakeholders can collaborate on a day-by-day basis. We believe our current and in-development service propositions demonstrably assist organisations in meeting these business process challenges.

Principal risks

The directors have assessed the principal risks facing the Group. The key commercial risks are:

- Competition from other providers for existing government contracts.
- Pressure on government departments to reduce expenditure.
- Economic factors limiting commercial customers' ability to make significant capital investments in collaborative visual technologies.

The last two risk factors above also present a real opportunity for the Group to extend its presence in key market segments through demonstrating and realising the benefits of interactive collaboration through the use of audio-visual technology.

The directors consider the quality of service provided and continued investment in our service and product offerings will enable the business to maintain a strong position.

Strategic report *(Continued)*

Future developments

Our NHS joint venture organisation Immedicare LLP continues to gain significant contracts in the health sector and we are constantly exploring new opportunities where we can partner with organisations to enable them to deliver their services in a more immediate, effective and efficient manner.

We will continue to make investments where appropriate in order to increase our presence in the market for audio-visual and visual collaboration products.

By order of the board

A handwritten signature in black ink, appearing to read 'R J Pasqualino', is written over the text 'By order of the board'.

R J Pasqualino
Director

26 September 2018

Directors' report

The directors present their directors' report and audited financial statements for the year ended 31 December 2017.

Environmental issues

For most businesses there are direct cost advantages in performing day-to-day activities in the most energy efficient way possible. Not only does the capable way in which we manage our business minimise our effect on the environment, but the products and services that we supply have an extremely positive role to play in dramatically reducing the need for travel.

Dividends

The directors do not recommend the payment of a dividend (2016: £nil).

Directors

The directors who held office during the year were as follows:

M R Dawes
D E Thomas
R J Pasqualino
J P Ward

Health, safety and welfare

The overall policies and objectives of the company in employee health, safety and welfare matters are under the regular and close scrutiny of management.

Employment of disabled people

In considering applications for employment from disabled people in the UK, the company seeks to ensure that full and fair consideration is given to the abilities and aptitudes of the applicant against the requirements of the job for which he or she has applied.

Employees who become unable to carry out the job for which they are employed are given equal consideration.

Employees

Within the bounds of commercial confidentiality, information is disseminated to all levels of staff about matters that affect the progress of the company and are of interest and concern to them as employees.

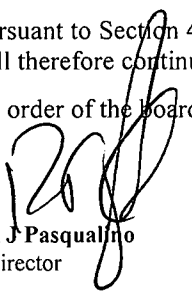
Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the Board


R J Pasqualino
Director

Martin Dawes House
Europa Boulevard
Westbrook
Warrington
Cheshire
WA5 7WH
26 September 2018

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



KPMG LLP

8 Princes Parade
Liverpool
L3 1QH
United Kingdom

Independent auditor's report to the members of Involve Visual Collaboration Limited

Opinion

We have audited the financial statements of Involve Visual Collaboration ("the company") for the year ended 31 December 2017 which comprise the Consolidated Balance Sheet, Company Balance Sheet, Consolidated Profit and Loss, Consolidated Statement of Changes in Equity and Company Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Involve Visual Collaboration Limited *(Continued)*

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Hywel Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

27 September 2018

Consolidated profit and loss account
for the year ended 31 December 2017

	<i>Note</i>	2017 £	2016 £
Turnover		12,270,700	13,216,922
Cost of sales		(6,729,381)	(7,603,311)
		<hr/>	<hr/>
Gross profit		5,541,319	5,613,611
Distribution costs		(733,557)	(834,935)
Administrative expenses		(4,955,853)	(4,060,645)
Other operating income		2,068	29,286
		<hr/>	<hr/>
Operating (loss)/profit		(146,023)	747,317
Share of operating profit in joint venture	9	436,268	283,714
Other interest receivable and similar income	5	5,744	8,221
Impairment of investment in joint venture	9	-	(16,230)
		<hr/>	<hr/>
Profit before taxation	2	295,989	1,023,022
Tax credit/(charge)	6	72,642	(219,343)
		<hr/>	<hr/>
Profit for the financial year		<u>368,631</u>	<u>803,679</u>

There is no other comprehensive income and therefore no statement of comprehensive income is presented

All amounts relate to continuing operations.

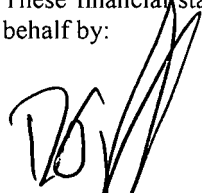
The notes on pages 12 to 25 form part of the financial statements.

Consolidated balance sheet
at 31 December 2017

	<i>Note</i>	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	7	-		87,025	
Tangible assets	8	1,125,773		1,197,924	
Investment in joint venture	9	469,135		32,867	
			1,594,908		1,317,816
Current assets					
Stocks	10	509,073		511,761	
Debtors	11	4,249,548		2,766,809	
Cash at bank and in hand		3,720,111		5,348,919	
		8,478,732		8,627,489	
Creditors: amounts falling due within one year	12	(2,636,748)		(2,877,044)	
Net current assets			5,841,984		5,750,445
Total assets less current liabilities			7,436,892		7,068,261
Net assets			7,436,892		7,068,261
Capital and reserves					
Called up share capital	15		100,000		100,000
Profit and loss account			7,336,892		6,968,261
Shareholders' funds			7,436,892		7,068,261

The notes on pages 12 to 25 form part of these financial statements.

These financial statements were approved by the board of directors on 26 September 2018 and were signed on its behalf by:



R J Pasquarino
Director

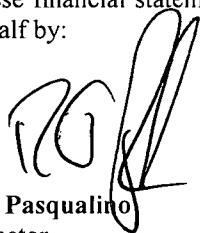
Company registered number: 2383157

Company balance sheet
at 31 December 2017

	<i>Note</i>	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	7	-		87,025	
Tangible assets	8	1,125,773		1,197,924	
Investment in joint venture	9	-		-	
			1,125,773		1,284,949
Current assets					
Stocks	10	509,073		511,761	
Debtors	11	4,249,548		2,766,809	
Cash at bank and in hand		3,720,111		5,348,919	
			8,478,732		8,627,489
Creditors: amounts falling due within one year	12	(2,636,748)		(2,877,044)	
Net current assets			5,841,984		5,750,445
Total assets less current liabilities			6,967,757		7,035,394
Net assets			6,967,757		7,035,394
Capital and reserves					
Called up share capital	15		100,000		100,000
Profit and loss account			6,867,757		6,935,394
Shareholders' funds			6,967,757		7,035,394

The notes on pages 12 to 25 form part of these financial statements.

These financial statements were approved by the board of directors on 26 September 2018 and were signed on its behalf by:



R J Pasqualino
Director

Company registered number: 2383157

Consolidated statement of changes in equity

	Called up share capital	Profit & loss account	Total equity
	£	£	£
Balance at 31 December 2015	100,000	6,164,582	6,264,582
Profit for the year	-	803,679	803,679
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	803,679	803,679
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	100,000	6,968,261	7,068,261
	<hr/>	<hr/>	<hr/>
	Called up share capital	Profit & loss account	Total equity
	£	£	£
Balance at 1 January 2017	100,000	6,968,261	7,068,261
Profit for the year	-	368,631	368,631
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	368,631	368,631
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	100,000	7,336,892	7,436,892
	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 25 form part of these financial statements.

Company statement of changes in equity

	Called up share capital £	Profit & loss account £	Total equity £
Balance at 31 December 2015	100,000	6,415,429	6,515,429
Profit for the year	-	519,965	519,965
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	519,965	519,965
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	100,000	6,935,394	7,035,394
	<hr/>	<hr/>	<hr/>

	Called up share capital £	Profit & loss account £	Total equity £
Balance at 1 January 2017	100,000	6,935,394	7,035,394
Profit/(Loss) for the year	-	(67,637)	(67,637)
	<hr/>	<hr/>	<hr/>
Total comprehensive income/(deficit) for the year	-	(67,637)	(67,637)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	100,000	6,867,757	6,967,757
	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 25 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Involve Visual Collaboration Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 2383157 and the registered address is Martin Dawes House, Europa Boulevard, Westbrook, Warrington, Cheshire, WA5 7WH, England.

The Group comprises the Company and its joint venture Immedicare LLP.

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014 and subsequent amendments. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The Company's ultimate parent undertaking, Martin Dawes Solutions Holdings Limited includes the Company in its consolidated financial statements. The consolidated financial statements are prepared in accordance with FRS 102 and are available to the public and may be obtained from the address given in note 18. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.

As the consolidated financial statements of Martin Dawes Solutions Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The Group's business model results in a positive working capital cycle which generates sufficient cash flows to fund the business. The Company also continues to show a net asset position at 31 December 2017. The directors have reviewed the current performance and prepared cash flows forecasts for the next 12 months. The realisation of these forecasts may be affected by a number of factors, including changes in customer behaviour, however, the directors are confident that the Group has adequate resources to continue its operations for the foreseeable future.

For this reason, they continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its joint venture made up to 31 December 2017. A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of associates and of jointly controlled entities is included in the consolidated profit and loss account and its interest in their net assets is recorded on the balance sheet using the equity method.

Under Section 408 of the Companies Act 2006 Involve Visual Collaboration Limited is exempt from the requirement to present its own profit and loss account. The company's loss for the year was £67,637 (2016 profit: £519,965).

In the parent financial statements, investments in subsidiaries and jointly controlled entities are carried at cost less impairment.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

1.5 Intangible assets

Intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- software 4 years

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- rental equipment 3 years
- office equipment 3 to 7 years
- motor vehicles 4 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Work in progress represents direct labour costed to ongoing contracts and is calculated by reference to time records.

Notes *(continued)*

1 Accounting policies *(continued)*

1.8 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.9 Turnover

Turnover is the amount receivable for the provision of goods and services derived from ordinary activities, excluding value added tax, such turnover deriving from operations within the United Kingdom.

Turnover from the sale of goods is recognised when the risks and rewards of ownership of goods have been transferred to the customer. The risks and rewards of ownership of goods are deemed to have been transferred when the goods have been delivered to the customer, except where the terms and conditions of sale have been explicitly agreed as 'bill and hold' with the customer.

Turnover from services, other than those that arise from support, managed service, equipment hire or long-term contracts (see below), is recognised when the service provided to the customer has been completed. Turnover in respect of long term contracts, where installation services are provided over a number of months, is recognised based on the amount of time performed each month.

Turnover from support, managed service or equipment hire contracts is recognised over the duration of the contract, where applicable any amounts invoiced or paid in advance will be deferred in the balance sheet until it is due to be recognised as turnover in the profit and loss account.

1.10 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.11 Interest receivable

Other interest receivable and similar income includes interest receivable on funds invested.

Interest income is recognised in profit or loss as it accrues, using the effective interest method.

Notes *(continued)*

1 **Accounting policies** *(continued)*

1.12 **Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes (continued)

2 Operating Profit

Operating Profit for the year is stated after charging/(crediting) the following:

	2017 £	2016 £
Auditor's remuneration	21,600	32,700
Depreciation	541,300	660,391
Impairment loss on joint venture	-	16,230
Operating leases	28,000	121,449
(Profit) on disposal of fixed assets	(2,068)	(29,286)
Impairment of intangible assets	156,069	-
	<u>156,069</u>	<u>-</u>

3 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2017	2016
Management	13	14
Administration	28	26
Sales	40	34
Service and maintenance	48	50
	<u>129</u>	<u>124</u>

The aggregate payroll costs of these persons were as follows:

	2017 £	2016 £
Wages and salaries	4,377,721	3,623,476
Social security costs	532,032	456,048
Contributions to defined contribution plans	51,702	53,923
	<u>4,961,455</u>	<u>4,133,447</u>

Notes (continued)

4 Directors' remuneration

	2017	2016
	£	£
Directors' remuneration	316,683	299,480
Company contributions to money purchase pension plans	15,000	10,703
	<u>331,683</u>	<u>310,183</u>

The aggregate of remuneration of the highest paid director was £146,126 (2016:£ 134,249), and company pension contributions of £13,500 (2016:£ 1,406) were made to a money purchase scheme on his behalf.

	Number of directors 2017	2016
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	<u>2</u>	<u>2</u>

5 Other interest receivable and similar income

	2017	2016
	£	£
Bank interest received	4,245	7,576
Interest received from related party	1,301	645
Other interest received	198	-
	<u>5,744</u>	<u>8,221</u>

Total interest receivable and similar income

Notes (continued)

6 Taxation

Total tax expense recognised in the profit and loss account

	2017 £	2016 £
<i>Current tax</i>		
Current tax on income for the year	83,857	162,421
Adjustments in respect of prior periods	(151,431)	-
	<hr/>	<hr/>
Total current tax	(67,574)	162,421
<i>Deferred tax (see note 13)</i>		
Adjustments in respect of prior periods	39,399	24,075
Origination and reversal of timing differences	(44,467)	29,525
Change in tax rate	-	3,322
	<hr/>	<hr/>
Total deferred tax	(5,068)	56,922
	<hr/>	<hr/>
Total tax (credit)/charge	(72,642)	219,343
	<hr/>	<hr/>

Reconciliation of effective tax rate

	2017 £	2016 £
Profit for the year before tax	295,989	1,023,022
	<hr/>	<hr/>
Current tax at 19.25% [prior year at 20%]	56,968	204,604
Expenses/(Income) not deductible for tax purposes	(2,374)	6,971
Adjustments to tax charge in respect of previous periods	(112,032)	24,075
Group relief surrendered/(claimed)	(21,977)	(14,418)
Difference in tax rates	5,877	(1,889)
Fixed Asset difference	896	-
	<hr/>	<hr/>
Total tax (credit)/charge	(72,642)	219,343
	<hr/>	<hr/>

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2016. A further additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2017. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2017 has been calculated based on these rates.

Notes (continued)

7 Intangible assets

<i>Group and Company</i>	Software £	Total £
Cost		
Balance at 1 January 2017	87,025	87,025
Acquisitions	69,044	69,044
	<hr/>	<hr/>
Balance at 31 December 2017	156,069	156,069
	<hr/>	<hr/>
Amortisation and impairment		
Balance at 1 January 2017	-	-
Assets fully impaired and written off during year	(156,069)	(156,069)
	<hr/>	<hr/>
Balance at 31 December 2017	(156,069)	(156,069)
	<hr/>	<hr/>
Net book value		
At 31 December 2017	-	-
	<hr/>	<hr/>
At 1 January 2017	87,025	87,025
	<hr/>	<hr/>

8 Tangible fixed assets

<i>Group and Company</i>	Rental equipment £	Office equipment £	Motor vehicles £	Total £
Cost				
Balance at 1 January 2017	659,697	1,963,872	1,138,544	3,762,113
Acquisitions	111,471	170,065	200,299	481,835
Disposals	-	-	(55,993)	(55,993)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	771,168	2,133,937	1,282,850	4,187,955
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
Balance at 1 January 2017	430,195	1,601,852	532,142	2,564,189
Depreciation charge for the year	157,890	222,947	160,463	541,300
Disposals	-	-	(43,307)	(43,307)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	588,085	1,824,799	649,298	3,062,182
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2017	183,083	309,138	633,552	1,125,773
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2017	229,502	362,020	606,402	1,197,924
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

9 Fixed asset investments

Fixed asset investments – Group

	Interests in Joint Ventures
Group	£
<i>Cost at beginning and end of year</i>	<u>97,378</u>
<i>Share of post acquisition reserves</i>	
At beginning of year	32,867
Retained profits less losses	436,268
	<u>469,135</u>
<i>Provisions</i>	
At beginning and end of year	(97,378)
	<u>469,135</u>
<i>Net book value</i>	
At 31 December 2017	<u>469,135</u>
At 31 December 2016	<u>32,867</u>

The joint venture undertaking, Immedicare LLP was incorporated on 28th June 2013 and is registered in England and Wales and is 50% owned by Involve Visual Collaboration Limited.

The investment is shown at cost less impairment. The share of the joint venture operating results have been consolidated under the equity accounting method.

The principal activity of Immedicare LLP is the provision of telemedicine services and related technological and clinical services.

Notes (continued)

10 Stocks

	Group and Company	
	2017	2016
	£	£
Goods for resale	440,029	403,673
Work in progress	69,044	108,088
	<u>509,073</u>	<u>511,761</u>

11 Debtors

	Group and Company	
	2017	2016
	£	£
Trade debtors	2,884,088	1,649,629
Amounts owed by related parties	66,727	124,185
Amounts owed by joint venture	218,101	273,050
Amounts owed by group undertakings	254,928	140,743
Other debtors	104,723	89,505
Prepayments and accrued income	688,969	462,752
Deferred tax assets (see note 13)	32,012	26,945
	<u>4,249,548</u>	<u>2,766,809</u>

Notes (continued)

12 Creditors: amounts falling due within one year

	Group and Company	
	2017	2016
	£	£
Payments received in advance	214,624	175,326
Trade creditors	676,291	798,258
Amounts owed to related parties	17,508	55,477
Amounts owed to group undertakings	114,324	114,324
Taxation and social security	597,638	545,676
Accruals and deferred income	1,016,363	1,187,983
	<hr/>	<hr/>
	2,636,748	2,877,044
	<hr/>	<hr/>

13 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group and Company	Net	
	2017	2016
	£	£
Accelerated capital allowances	32,012	26,945
	<hr/>	<hr/>
Net tax assets	32,012	26,945
	<hr/>	<hr/>

14 Employee benefits

Defined contribution plans

The company operates defined contribution pension schemes. The pension cost charge for the period represents contributions payable by the company to the schemes and amounted to £51,702 (2016: £53,923). There were no outstanding or prepaid contributions at either the beginning or end of the financial period.

15 Share capital

	2017	2016
	£	£
<i>Allotted, called up and fully paid</i>		
100,000 ordinary shares of £1 each	100,000	100,000
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes (continued)

16 Financial instruments

Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	Group and Company	
	2017	2016
	£	£
Assets measured at cost less impairment:		
Debtors and Other Debtors	3,927,688	2,567,541
Bank and Cash	3,720,111	5,348,919
	<hr/>	<hr/>
	7,647,799	7,916,460
Liabilities measured at amortised cost:		
Creditors falling due in less than one year	(2,592,770)	(2,877,044)

17 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Group and Company	
	2017	2016
	£	£
Less than one year	23,333	28,000
Between one and five years	-	23,333
	<hr/>	<hr/>
	23,333	51,333
	<hr/>	<hr/>

During the year £28,000 was recognised as an expense in the profit and loss account in respect of operating leases (2016: £121,449).

18 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Martin Dawes Solutions Holdings Limited, who are also the ultimate controlling party.

The largest group in which the results of the Company and its group are consolidated is that headed by Martin Dawes Solutions Holdings Limited. The consolidated financial statements of these groups are available to the public and may be obtained from Martin Dawes House, Europa Boulevard, Westbrook, Warrington, Cheshire, WA57 7WH.

Notes (continued)

19 Related party transactions

Involve Visual Collaboration Limited has had transactions with Martin Dawes Limited in which certain directors of Involve Visual Collaboration Limited have an interest following its demerger from this group on 30 September 2007. The transactions between the parties for the financial period are summarised as followed:

Martin Dawes Limited	2017	2016
	£	£
<i>Expenditure</i>		
Equipment purchases & installation	28,966	99,842
Property costs	70,254	5,940
Marketing & promotional	-	6,725
Other administrative expenses	2,583	-
	<hr/>	<hr/>
	101,803	112,507
	<hr/>	<hr/>
<i>Income</i>		
Management fees	-	6,700
Property costs	14,221	21,951
Motor costs	-	1,814
Proceeds from sale of tangible fixed assets	-	10,500
	<hr/>	<hr/>
	14,221	40,965
	<hr/>	<hr/>
 Martin Dawes House LLP		
<i>Expenditure</i>		
Property costs	71,040	83,533
	<hr/>	<hr/>
<i>Income</i>		
Property costs	-	4,388
Payroll recharges	37,414	40,471
Staff welfare	-	9,143
	<hr/>	<hr/>
	37,414	54,002
	<hr/>	<hr/>

Notes (continued)

19 Related party transactions (continued)

Martin Dawes Systems Limited	2017	2016
	£	£
<i>Expenditure</i>		
Travel & welfare costs	3,705	4,320
	<hr/>	<hr/>
	2017	2016
	£	£
<i>Income</i>		
Payroll recharges	6,387	7,309
	<hr/>	<hr/>
 Lavastorm Analytics Limited		
<i>Income</i>		
Sales revenue	1,550	-
Staff welfare	-	38
	<hr/>	<hr/>

Transactions were conducted on an arms-length basis.

As at 31 December 2017 the balances included within Debtors included: Balance owing from Martin Dawes Limited *£nil* (2016: £15,724), owing from Martin Dawes Systems Limited £459 (2016: £1,218), owing from Martin Dawes House LLP £1,999 (2016: £3,786), owing from Lavastorm Analytics Limited *£nil* (2016: £46), owing from Mr Martin Dawes £19,600 (2016: £40,789), owing from Mr Robert Pasqualino £44,669 (2016: £62,620).

As at 31 December 2017 the balances included within Creditors included: Balance owing to Martin Dawes Limited £16,350 (2016: £54,414), owing to Martin Dawes House LLP £1,158 (2016: £1,062).