

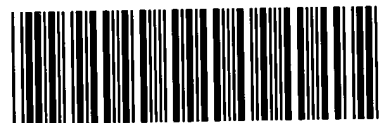
Registered number: 02421641

**GENERAL & MEDICAL FINANCE LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

TUESDAY



\*A65462QQ\*

A14

25/04/2017

#45

COMPANIES HOUSE

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	Mr D A Wildman Mrs G Wildman
<b>Company secretary</b>	Mrs G Wildman
<b>Registered number</b>	02421641
<b>Registered office</b>	General & Medical House Napier Place Orton Wistow Peterborough PE2 6XN
<b>Independent auditors</b>	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors 8-12 Priestgate Peterborough PE1 1JA

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**CONTENTS**

---

	Page
<b>Directors' report</b>	1 - 3
<b>Independent auditors' report</b>	4 - 5
<b>Statement of comprehensive income</b>	6
<b>Balance sheet</b>	7
<b>Statement of changes in equity</b>	8
<b>Statement of cash flows</b>	9
<b>Notes to the financial statements</b>	10 - 22

---

## **GENERAL & MEDICAL FINANCE LIMITED**

---

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

---

The directors present their report and the financial statements for the year ended 31 December 2016.

#### **Directors' responsibilities statement**

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal activity**

The principal activities of the Company continued to be that of:

- i) Private health insurance for individuals, associations and companies in the UK
- ii) Personal accident insurance
- iii) Critical illness insurance
- iv) Term life assurance
- v) Temporary disablement insurance
- vi) Worldwide travel insurance
- vii) Procurement of healthcare services

#### **Results and dividends**

The profit for the year, after taxation, amounted to £9,813 (2015 - £7,923).

A dividend of £nil (2015: £25,000) was paid to parent company General & Medical Securities Limited during the year.

---

## **GENERAL & MEDICAL FINANCE LIMITED**

---

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016**

---

#### **Directors**

The directors who served during the year were:

Mr D A Wildman  
Mrs G Wildman

#### **Financial instruments**

The Company uses financial instruments such as cash, trade receivables and trade payables in order to raise finance for the Company's operations. The existence of these instruments exposes the Company to financial risks which are detailed below;

##### *Liquidity risk*

The Company manages its cash requirements to optimise interest income and minimise expense, whilst ensuring that the Company has sufficient liquid resources to meet the operating needs of its business.

##### *Interest rate risk*

The Company is exposed to cash flow interest rate risk on floating rate deposits.

##### *Credit risk*

Investments of cash surpluses are made through banks and companies which must fulfil credit rating criteria approved by a director.

Receivable balances are monitored on an on-going basis and provision is made for doubtful debts where necessary.

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Post balance sheet events**

There have been no significant events affecting the Company since the year end.

#### **Auditors**

Under section 487(2) of the Companies Act 2006, MHA MacIntyre Hudson will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

---

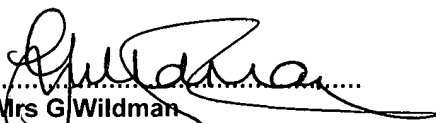
**GENERAL & MEDICAL FINANCE LIMITED**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

This report was approved by the board and signed on its behalf.

  
.....  
Mrs G Wildman  
Company secretary

Date: 4/4/17

General & Medical House  
Napier Place  
Orton Wistow  
Peterborough  
PE2 6XN

---

## **GENERAL & MEDICAL FINANCE LIMITED**

---

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GENERAL & MEDICAL FINANCE LIMITED**

---

We have audited the financial statements of General & Medical Finance Limited for the year ended 31 December 2016, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' 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.

#### **Respective responsibilities of Directors and Auditors**

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GENERAL & MEDICAL FINANCE LIMITED (CONTINUED)**

---

**Opinion on other matter prescribed by the Companies Act 2006**

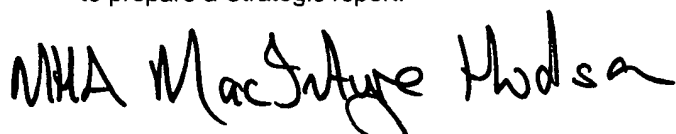
In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Stuart Manning FCA (Senior statutory auditor)

for and on behalf of  
**MHA MacIntyre Hudson**

Chartered Accountants  
Statutory Auditors

8-12 Priestgate  
Peterborough  
PE1 1JA

Date:

10th April 2017



---

**GENERAL & MEDICAL FINANCE LIMITED**

---

---

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

	Note	2016 £	2015 £
Turnover	4	5,371,928	5,127,899
Cost of sales		(4,271,738)	(4,025,123)
<b>Gross profit</b>		<b>1,100,190</b>	<b>1,102,776</b>
Administrative expenses		(1,088,115)	(1,093,753)
<b>Operating profit</b>	5	<b>12,075</b>	<b>9,023</b>
Interest receivable and similar income	8	(1,768)	1,342
<b>Profit before tax</b>		<b>10,307</b>	<b>10,365</b>
Tax on profit	9	(494)	(2,442)
<b>Profit for the year</b>		<b>9,813</b>	<b>7,923</b>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015:£NIL).

All amounts relate to continuing operations.

The notes on pages 10 to 22 form part of these financial statements.

**GENERAL & MEDICAL FINANCE LIMITED**  
**REGISTERED NUMBER:02421641**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	11	87,889	95,228
		<u>87,889</u>	<u>95,228</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	12	-	8,550
Debtors: amounts falling due within one year	12	2,690,524	2,638,656
Cash at bank and in hand	13	203,204	239,045
		<u>2,893,728</u>	<u>2,886,251</u>
Creditors: amounts falling due within one year	14	(2,513,187)	(2,519,988)
<b>Net current assets</b>		<u>380,541</u>	<u>366,263</u>
<b>Total assets less current liabilities</b>		<u>468,430</u>	<u>461,491</u>
<b>Provisions for liabilities</b>			
Deferred tax	16	(11,015)	(13,889)
<b>Net assets</b>		<u>457,415</u>	<u>447,602</u>
<b>Capital and reserves</b>			
Called up share capital	17	50,000	50,000
Profit and loss account	18	407,415	397,602
		<u>457,415</u>	<u>447,602</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....  
**Mr D A Wildman**  
 Director

Date: 4/4/17

The notes on pages 10 to 22 form part of these financial statements.

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

---

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2015</b>	<b>50,000</b>	<b>414,679</b>	<b>464,679</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	7,923	7,923
<b>Total comprehensive income for the year</b>	-	7,923	7,923
Dividends: Equity capital	-	(25,000)	(25,000)
<b>Total transactions with owners</b>	-	(25,000)	(25,000)
<b>At 1 January 2016</b>	<b>50,000</b>	<b>397,602</b>	<b>447,602</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	9,813	9,813
<b>Total comprehensive income for the year</b>	-	9,813	9,813
<b>At 31 December 2016</b>	<b>50,000</b>	<b>407,415</b>	<b>457,415</b>

The notes on pages 10 to 22 form part of these financial statements.

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

	2016 £	2015 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	9,813	7,923
<b>Adjustments for:</b>		
Depreciation of tangible assets	15,502	16,776
Interest received	1,768	(1,342)
Taxation charge	494	2,442
Increase in debtors	(43,319)	(98,521)
Increase in creditors	35,650	39,223
(Decrease)/increase in amounts owed to group companies	(1,035)	35,422
Corporation tax paid	(2,285)	(4,062)
<b>Net cash generated from operating activities</b>	<b>16,588</b>	<b>(2,138)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(8,164)	(14,281)
Interest received	(1,768)	1,342
<b>Net cash from investing activities</b>	<b>(9,932)</b>	<b>(12,939)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	-	(25,000)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(25,000)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,656</b>	<b>(40,077)</b>
Cash and cash equivalents at beginning of year	(134,963)	(94,886)
<b>Cash and cash equivalents at the end of year</b>	<b>(128,307)</b>	<b>(134,963)</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	203,204	239,045
Bank overdrafts	(331,511)	(374,008)
	<b>(128,307)</b>	<b>(134,963)</b>

The notes on pages 10 to 22 form part of these financial statements.

---

## GENERAL & MEDICAL FINANCE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 1. General information

The entity is a private company limited by shares and incorporated in England and Wales under the Companies Act.

The address of the registered office is given in the company information.

The nature of the entity's operations and its principal activities are set out in the directors' report on page 1.

The functional and presentational currency of General & Medical Finance Limited is pounds sterling (£).

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, and other sales taxes.

Revenue includes all receipts (premiums) from customers with cost of sales being payments to the insurance subsidiary General and Medical Insurance Limited and for claims paid on their behalf.

The gross profit therefore effectively consists of brokerage, commission and fees associated with the placement of insurance and reinsurance contracts, net of commissions payable to other directly involved parties. Revenues from brokerage, commissions and fees are recognised on the inception date of the risk. Any adjustments to commission arising from premium additions or reductions are recognised as and when they are notified by third parties.

Commissions and other acquisition expenses relating to unearned premiums are deferred and charged to the Statement of comprehensive income based on the average customer retention period.

---

## GENERAL & MEDICAL FINANCE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 2. Accounting policies (continued)

##### 2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	15% Reducing balance per annum
Office equipment	-	15% Reducing balance per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

##### 2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**2. Accounting policies (continued)**

**2.6 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

---

## **GENERAL & MEDICAL FINANCE LIMITED**

---

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

---

#### **2. Accounting policies (continued)**

##### **2.9 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

##### **2.10 Pensions**

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.11 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

##### **2.12 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

---

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.14 Insurance intermediary assets and liabilities

Insurance brokers usually act as an agent in placing the insurable risks of their clients with insurers and as such, generally, are not liable as principals for the amounts arising from such transactions. Notwithstanding these legal relationships, debtors and creditors arising from insurance broking transactions are shown as assets and liabilities. This recognises that the insurance broker is entitled to retain the investment income on any cash flows arising from these transactions and is included as fiduciary investment income in the Statement of comprehensive income.

Debtors and creditors arising from a transaction between a client and insurers (e.g. a premium or a claim) are recorded simultaneously. Consequently, there is a high level of correlation between the totals reported in respect of insurance broking debtors and insurance broking creditors.

The position of the insurance broker as an agent means that generally the credit risk is borne by the principals. There can be circumstances where the insurance broker acquires credit risk – through statute, or through the act or omission of the insurance broker or one of the principals. There is much legal uncertainty surrounding the circumstances and the extent of such exposure and consequently they cannot be evaluated. Therefore, the total of the insurance broking debtors appearing in the balance sheet is not an indication of credit risk.

It is normal practice for insurance brokers to settle accounts with other intermediaries, clients, insurers and market settlement bureaux on a net basis. Thus, large changes in both insurance broking debtors and creditors can result from comparatively small cash settlements. For this reason, the totals of insurance broking debtors give no indication of future cash flows.

---

## GENERAL & MEDICAL FINANCE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no judgments (apart from those involving estimates and in particular those for depreciation and doubtful debt provisions) that have had a significant effect on amounts recognised in the financial statements.

#### 4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Provision of insurances	4,602,442	4,417,717
Procurement of healthcare services	756,570	707,811
Other income	12,915	2,371
	<u>5,371,927</u>	<u>5,127,899</u>

All turnover arose within the United Kingdom.

All turnover relates to the rendering of services.

#### 5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	15,502	16,776
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	2,000	7,175
Other operating lease rentals	11,493	11,493
Defined contribution pension cost	<u>2,093</u>	<u>2,046</u>

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**6. Auditor's remuneration**

	2016 £	2015 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	2,000	7,175
	<u>2,000</u>	<u>7,175</u>
<b>Fees payable to the Company's auditor in respect of:</b>		
Other services relating to taxation	1,200	2,400
All other services	780	2,530
	<u>1,980</u>	<u>4,930</u>

**7. Employees**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	520,037	541,719
Social security costs	47,726	47,376
Cost of defined contribution scheme	2,093	2,046
	<u>569,856</u>	<u>591,141</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Operational staff	21	22
Management staff	2	2
	<u>23</u>	<u>24</u>

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**8. Interest receivable**

	2016 £	2015 £
Other interest receivable	(1,768)	1,342
	<u>(1,768)</u>	<u>1,342</u>

**9. Taxation**

	2016 £	2015 £
<b>Corporation tax</b>		
Current tax on profits for the year	3,368	2,286
<b>Total current tax</b>	<u>3,368</u>	<u>2,286</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(2,874)	156
<b>Total deferred tax</b>	<u>(2,874)</u>	<u>156</u>
<b>Taxation on profit on ordinary activities</b>	<u>494</u>	<u>2,442</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>10,307</u>	<u>10,365</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	2,061	2,073
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	377	369
Depreciation in excess of / (exceeded by) capital allowances	930	(156)
Changes in provisions leading to a (decrease) / increase in the tax charge	(2,874)	156
<b>Total tax charge for the year</b>	<u>494</u>	<u>2,442</u>

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**9. Taxation (continued)****Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**10. Dividends**

	2016 £	2015 £
Dividends paid on equity capital	-	25,000
	-	25,000

**11. Tangible fixed assets**

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2016	169,562	276,812	446,374
Additions	480	7,684	8,164
At 31 December 2016	170,042	284,496	454,538
<b>Depreciation</b>			
At 1 January 2016	141,251	209,896	351,147
Charge for the period on owned assets	4,322	11,180	15,502
At 31 December 2016	145,573	221,076	366,649
<b>Net book value</b>			
At 31 December 2016	24,469	63,420	87,889
At 31 December 2015	28,311	66,916	95,227

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**12. Debtors**

	2016 £	2015 £
<b>Due after more than one year</b>		
Other debtors	-	8,550
	-	8,550
	2016 £	2015 £
<b>Due within one year</b>		
Trade debtors	2,053,575	2,017,179
Amounts owed by group undertakings	462,737	462,737
Other debtors	6,510	7,403
Prepayments and accrued income	167,702	151,337
	2,690,524	2,638,656

Amounts owed by group undertakings are unsecured, are interest free, have no fixed date of repayment and are repayable on demand.

**13. Cash and cash equivalents**

	2016 £	2015 £
Cash at bank and in hand	203,204	239,045
Less: bank overdrafts	(331,511)	(374,008)
	(128,307)	(134,963)

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**14. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Bank overdrafts	331,511	374,008
Amounts owed to group undertakings	78,638	79,673
Corporation tax	3,368	2,286
Other taxation and social security	16,420	13,705
Other creditors	83	9,242
Accruals and deferred income	2,083,167	2,041,074
	<u>2,513,187</u>	<u>2,519,988</u>

Amounts owed to group undertakings are unsecured, are interest free, have no fixed date of repayment and are repayable on demand.

**15. Financial instruments**

	2016 £	2015 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>2,516,312</u>	<u>2,489,259</u>
	<u>2,516,312</u>	<u>2,489,259</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(431,618)</u>	<u>(483,103)</u>
	<u>(431,618)</u>	<u>(483,103)</u>

Financial assets measured at amortised cost comprise:

- Trade debtors
- Amounts owed by group undertakings

Financial liabilities measured at amortised cost comprise:

- Bank overdrafts
- Amounts owed to group undertakings
- Other creditors
- Accruals

---

**GENERAL & MEDICAL FINANCE LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

---

**16. Deferred taxation**

	2016 £	2015 £
At beginning of year	(13,889)	(13,733)
Charged to the profit or loss	2,874	(156)
<b>At end of year</b>	<b>(11,015)</b>	<b>(13,889)</b>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(11,015)	(13,889)
	<b>(11,015)</b>	<b>(13,889)</b>

**17. Share capital**

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares of £1 each	<b>50,000</b>	50,000

The Company has one class of ordinary shares.

Each ordinary share has equal voting and distribution rights, including repayment of capital in the event of winding up.

**18. Reserves****Profit and loss account**

The profit and loss reserve represents cumulative profit or losses, net of dividends paid and other adjustments.

**19. Pension commitments**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £2,093 (2015: £2,046). There were no outstanding or prepaid contributions at the balance sheet date (2015: £nil).



---

## GENERAL & MEDICAL FINANCE LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

---

#### 20. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	15,634	15,324
Later than 1 year and not later than 5 years	15,634	-
	<u>31,268</u>	<u>15,324</u>

#### 21. Related party transactions

The Company was under the ultimate control of the directors, Mr D A Wildman and Mrs G Wildman, throughout the current and previous year.

The directors have loaned monies to the Company. At the balance sheet date the amount due to the directors totalled £nil (2015: £8,713). Interest has not been charged on this loan (2015: £nil). This balance is included within other creditors.

As the Company is a wholly owned subsidiary of General and Medical Securities Limited, the Company has taken advantage of the exemption contained in FRS 102 section 33 and therefore has not disclosed transactions or balances with entities which form part of the Group. The consolidated financial statements of General and Medical Securities Limited, within which the Company is included, can be obtained from Companies House.

The directors who are also the key management personnel of the Company, only received remuneration from the immediate and ultimate parent company, General and Medical Securities Limited.

#### 22. Ultimate parent undertaking and controlling party

The Company's immediate and ultimate parent company is General and Medical Securities Limited, a company registered in England and Wales.

Consolidated financial statements for the Group are prepared by General and Medical Securities Limited and are publicly available at Companies House.

The ultimate controlling parties are Mr D A Wildman and Mrs G Wildman.