

Registered number: 02421641

GENERAL & MEDICAL FINANCE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017



GENERAL & MEDICAL FINANCE LIMITED

COMPANY INFORMATION

Directors	Mr D A Wildman Mrs G Wildman
Company secretary	Mrs G Wildman
Registered number	02421641
Registered office	General & Medical House Napier Place Peterborough PE2 6XN
Independent auditors	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors 1 The Forum Minerva Business Park Lynch Wood Peterborough PE2 6FT

GENERAL & MEDICAL FINANCE LIMITED

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GENERAL & MEDICAL FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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

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 to 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

GENERAL & MEDICAL FINANCE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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.

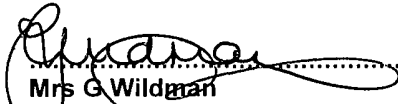
Small companies note

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 2017

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


Mrs G Wildman
Company secretary

Date: 10th July 2018

General & Medical House
Napier Place
Peterborough
PE2 6XN

GENERAL & MEDICAL FINANCE LIMITED

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

Opinion

We have audited the financial statements of General & Medical Finance Limited (the 'Company') for the year ended 31 December 2017, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

GENERAL & MEDICAL FINANCE LIMITED

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

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters 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 the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

GENERAL & MEDICAL FINANCE LIMITED

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

Auditors' responsibilities for the audit of the financial statements

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 an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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.




Stuart Manning FCA (Senior statutory auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

1 The Forum
Minerva Business Park
Lynch Wood
Peterborough
PE2 6FT

Date:



GENERAL & MEDICAL FINANCE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	4	5,533,956	5,371,927
Cost of sales		(4,341,179)	(4,271,738)
Gross profit		1,192,777	1,100,189
Administrative expenses		(1,185,605)	(1,088,115)
Operating profit	5	7,172	12,074
Interest receivable and similar income	8	75	(1,768)
Profit before tax		7,247	10,306
Tax on profit	9	(2,564)	(494)
Profit for the financial year		4,683	9,812

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016:£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 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	10	84,806	87,889
		<u>84,806</u>	<u>87,889</u>
Current assets			
Debtors: amounts falling due within one year	11	2,930,243	2,690,523
Cash at bank and in hand	12	78,764	203,204
		<u>3,009,007</u>	<u>2,893,727</u>
Creditors: amounts falling due within one year	13	(2,620,851)	(2,513,187)
Net current assets		<u>388,156</u>	<u>380,540</u>
Total assets less current liabilities		<u>472,962</u>	<u>468,429</u>
Provisions for liabilities			
Deferred tax	15	(10,865)	(11,015)
Net assets		<u>462,097</u>	<u>457,414</u>
Capital and reserves			
Called up share capital	16	50,000	50,000
Profit and loss account	17	412,097	407,414
		<u>462,097</u>	<u>457,414</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: 10th July 2018
 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 2017**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2016	50,000	397,602	447,602
Comprehensive income for the year			
Profit for the year	-	9,812	9,812
Total comprehensive income for the year	-	9,812	9,812
At 1 January 2017	50,000	407,414	457,414
Comprehensive income for the year			
Profit for the year	-	4,683	4,683
Total comprehensive income for the year	-	4,683	4,683
At 31 December 2017	50,000	412,097	462,097

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 2017

1. General information

General & Medical Finance Limited ("the Company") is a Limited company incorporated in England and Wales under the Companies Act.

The registered number and address of the registered office is given in the Company information.

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

The functional and presentational currency of the Company is pounds sterling (£) and rounded to the nearest £.

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 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of General & Medical Securities Limited as at 31 December 2017 and these financial statements may be obtained from Companies House.

GENERAL & MEDICAL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.3 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 fellow 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 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.

2.4 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.

GENERAL & MEDICAL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.5 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.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 the 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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.

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)**2.7 Financial instruments (continued)**

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.

2.8 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.

2.9 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.

GENERAL & MEDICAL FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017**

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:

	2017 £	2016 £
Provision of insurances	4,930,088	4,602,442
Procurement of healthcare services	596,251	756,570
Other income	7,617	12,914
	<u>5,533,956</u>	<u>5,371,926</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:

	2017 £	2016 £
Depreciation of tangible fixed assets	14,957	15,502
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	4,000	2,000
Other operating lease rentals	15,296	11,493
Defined contribution pension cost	<u>5,149</u>	<u>2,093</u>

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4,000	2,000
	<u>4,000</u>	<u>2,000</u>
Fees payable to the Company's auditor in respect of:		
Other services relating to taxation	1,660	1,200
All other services	400	780
	<u>2,060</u>	<u>1,980</u>

7. Employees

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	637,002	520,037
Social security costs	60,490	47,726
Cost of defined contribution scheme	5,149	2,093
	<u>702,641</u>	<u>569,856</u>

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

	2017 No.	2016 No.
Operational staff	24	21
Management staff	2	2
	<u>26</u>	<u>23</u>

8. Interest receivable

	2017 £	2016 £
Other interest receivable	75	(1,768)
	<u>75</u>	<u>(1,768)</u>

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	2,714	3,368
Total current tax	<u>2,714</u>	<u>3,368</u>
Deferred tax		
Origination and reversal of timing differences	(150)	(2,874)
Total deferred tax	<u>(150)</u>	<u>(2,874)</u>
Taxation on profit on ordinary activities	<u>2,564</u>	<u>494</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 19% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>7,247</u>	<u>10,306</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 - 20%)	1,377	2,061
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,135	377
Depreciation in excess of capital allowances	167	930
Changes in provisions leading to a decrease in the tax charge	(150)	(2,874)
Change in rate of tax charge	35	-
Total tax charge for the year	<u>2,564</u>	<u>494</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 January 2017	170,042	284,496	454,538
Additions	336	11,538	11,874
At 31 December 2017	170,378	296,034	466,412
Depreciation			
At 1 January 2017	145,573	221,076	366,649
Charge for the year on owned assets	3,718	11,239	14,957
At 31 December 2017	149,291	232,315	381,606
Net book value			
At 31 December 2017	21,087	63,719	84,806
At 31 December 2016	24,469	63,420	87,889

11. Debtors

	2017 £	2016 £
Trade debtors	2,268,900	2,053,575
Amounts owed by group undertakings	460,779	462,737
Other debtors	8,486	6,510
Prepayments and accrued income	192,078	167,702
	<u>2,930,243</u>	<u>2,690,524</u>

Amounts owed by group undertakings are unsecured, are interest free and are repayable on demand.

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	78,764	203,204
Less: bank overdrafts	(263,269)	(331,511)
	<u>(184,505)</u>	<u>(128,307)</u>

13. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	263,269	331,511
Amounts owed to group undertakings	26,446	78,638
Corporation tax	2,714	3,368
Other taxation and social security	20,350	16,420
Other creditors	468	83
Accruals and deferred income	2,307,604	2,083,167
	<u>2,620,851</u>	<u>2,513,187</u>

Amounts owed to group undertakings are unsecured, are interest free and are repayable on demand.

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

14. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	2,729,679	2,516,312
	<u>2,729,679</u>	<u>2,516,312</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(319,357)	(431,618)
	<u>(319,357)</u>	<u>(431,618)</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

15. Deferred taxation

	2017 £	2016 £
At beginning of year	11,015	13,889
Charged to profit or loss	(150)	(2,874)
At end of year	<u>10,865</u>	<u>11,015</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	10,865	11,015
	<u>10,865</u>	<u>11,015</u>

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

16. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

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.

17. Reserves**Profit and loss account**

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

18. 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 £5,149 (2016: £2,093).

There were no outstanding or prepaid contributions at the Balance sheet date (2016: £nil).

19. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	15,634	15,634
Later than 1 year and not later than 5 years	3,909	15,634
	<u>19,543</u>	<u>31,268</u>

GENERAL & MEDICAL FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

20. Related party transactions

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 33.1A Related Party Disclosures, and has therefore not disclosed transactions or balances with wholly owned entities which form part of the Group.

The consolidated financial statements of General And Medical Securities Limited, within which the Company is included, are publicly available at 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.

21. 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 which holds all of the issued ordinary shares in this Company.

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