

MMM MEDICAL EQUIPMENT UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

Company Registration No. 03297927 (England and Wales)

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MMM MEDICAL EQUIPMENT UK LIMITED

COMPANY INFORMATION

Director	Mr B Mitchell
Secretary	Mr A Kaufman
Company number	03297927
Registered office	Units 2 & 3 Gateway Business Park Gateway Drive Yeadon Leeds LS19 7XY
Auditors	Naylor Wintersgill Limited Carlton House Grammar School Street Bradford BD1 4NS
Business address	Units 2 & 3 Gateway Business Park Gateway Drive Yeadon Leeds LS19 7XY
Bankers	HSBC Bank plc 7 Prospect Crescent Harrogate North Yorkshire HG1 1RN

MMM MEDICAL EQUIPMENT UK LIMITED

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MMM MEDICAL EQUIPMENT UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	4		314,869		325,840
Current assets					
Stocks	6	748,342		515,874	
Debtors	7	1,977,524		1,075,100	
Cash at bank and in hand		722,144		956,695	
		3,448,010		2,547,669	
Creditors: amounts falling due within one year	8	(1,929,421)		(1,491,240)	
Net current assets			1,518,589		1,056,429
Total assets less current liabilities			1,833,458		1,382,269
Creditors: amounts falling due after more than one year	9		(13,594)		(20,107)
Provisions for liabilities	11		(45,342)		(45,009)
Net assets			1,774,522		1,317,153
Capital and reserves					
Called up share capital	13	250,000		250,000	
Profit and loss reserves	14	1,524,522		1,067,153	
Total equity			1,774,522		1,317,153

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

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

The financial statements were approved and signed by the director and authorised for issue on 29 February 2016


Mr B Mitchell
Director

Company Registration No. 03297927

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

MMM Medical Equipment UK Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Units 2 & 3 Gateway Business Park, Gateway Drive, Yeadon, Leeds, LS19 7XY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of MMM Medical Equipment UK Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

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

1.3 Tangible fixed assets

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

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

Training centre development	20% Straight line
Plant and machinery	20% and 25% Straight line
Fixtures, fittings & equipment	25% Straight line
Motor vehicles	25% Reducing balance

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

1.4 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

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

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Other financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

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

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.8 Equity instruments

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

1.9 Taxation

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

Current tax

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

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

1.12 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015 Number	2014 Number
Total	29	27

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc
	£	£
Cost		
At 1 January 2015	221,206	619,969
Additions	28,828	63,007
At 31 December 2015	250,034	682,976
Depreciation and impairment		
At 1 January 2015	43,874	471,461
Depreciation charged in the year	45,389	57,417
At 31 December 2015	89,263	528,878
Carrying amount		
At 31 December 2015	160,771	154,098
At 31 December 2014	177,332	148,508

4 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,667,072	1,900,208
Carrying amount of financial liabilities		
Measured at amortised cost	1,228,815	930,204

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

5 Stocks

	2015 £	2014 £
Raw materials and consumables	567,184	464,514
Work in progress	320,894	107,193
Payments received on account	(139,736)	(55,833)
	<u>748,342</u>	<u>515,874</u>

6 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	1,908,498	938,206
Gross amounts due from contract customers	31,748	126,955
Other debtors	37,278	9,939
	<u>1,977,524</u>	<u>1,075,100</u>

Trade debtors disclosed above are measured at amortised cost.

7 Creditors: amounts falling due within one year

	2015 £	2014 £
Obligations under finance leases	16,467	24,328
Trade creditors	264,227	238,941
Amounts due to group undertakings	566,100	357,810
Corporation tax payable	116,308	76,281
Other taxation and social security	235,588	239,711
Payments received on account	63,041	86,989
Other creditors	667,690	467,180
	<u>1,929,421</u>	<u>1,491,240</u>

8 Creditors: amounts falling due after more than one year

	2015 £	2014 £
Obligations under finance leases	<u>13,594</u>	<u>20,107</u>

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

9 Finance lease obligations

	2015 £	2014 £
Future minimum lease payments due under finance leases:		
Within one year	18,390	27,846
In two to five years	15,093	22,162
	<u>33,483</u>	<u>50,008</u>
Less: future finance charges	(3,422)	(5,573)
	<u>30,061</u>	<u>44,435</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

10 Provisions for liabilities

	2015 £	2014 £
Deferred tax liabilities	45,342	45,009
	<u>45,342</u>	<u>45,009</u>

11 Deferred income

	2015 £	2014 £
Arising from contract service income	362,304	265,151
	<u>362,304</u>	<u>265,151</u>

Deferred income is included in the financial statements as follows:

	2015 £	2014 £
Current liabilities	362,304	265,151
	<u>362,304</u>	<u>265,151</u>

12 Share capital

	2015 £	2014 £
Ordinary share capital Issued and fully paid 250,000 Ordinary shares of £1 each	250,000	250,000
	<u>250,000</u>	<u>250,000</u>

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

13 Reserves

	2015 £	2014 £
At beginning of year	1,067,153	914,800
Profit for the year	457,369	302,353
Dividends	-	(150,000)
At end of year	<u>1,524,522</u>	<u>1,067,153</u>

14 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for certain of its properties and vehicles. Leases are negotiated for an average term of 3 years and rentals are fixed for an average of 3 years.

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

	2015 £	2014 £
Within one year	126,335	104,870
Between two and five years	221,216	191,923
In over five years	67,700	101,550
	<u>415,251</u>	<u>398,343</u>

15 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2015 £	2014 £
Aggregate compensation	<u>104,178</u>	<u>87,400</u>

MMM MEDICAL EQUIPMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

16 Controlling party

The parent company of MMM Medical Equipment UK Limited is MMM Munchener Medizin Mechanik GmbH, a company incorporated in Germany.

The ultimate controlling party is Mr M Koller by virtue of his holding in the share capital of the parent company.

The financial statements of the company are consolidated into the group of MMM Munchener Medizin Mechanik GmbH.

17 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified. The senior statutory auditor was Victoria Wainwright for and on behalf of Naylor Wintersgill Limited.