

**MMM MEDICAL EQUIPMENT UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

Company Registration No. 03297927 (England and Wales)



# MMM MEDICAL EQUIPMENT UK LIMITED

## COMPANY INFORMATION

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

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**MMM MEDICAL EQUIPMENT UK LIMITED**

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# MMM MEDICAL EQUIPMENT UK LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2017

		2017		2016 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		346,244		341,618
<b>Current assets</b>					
Stocks	4	984,536		1,136,057	
Debtors	5	1,545,596		1,501,066	
Cash at bank and in hand		830,709		543,512	
		3,360,841		3,180,635	
<b>Creditors: amounts falling due within one year</b>	6	(1,583,143)		(1,308,385)	
<b>Net current assets</b>			1,777,698		1,872,250
<b>Total assets less current liabilities</b>			2,123,942		2,213,868
<b>Creditors: amounts falling due after more than one year</b>	7		(52,714)		(32,440)
<b>Provisions for liabilities</b>			(62,229)		(56,993)
<b>Net assets</b>			2,008,999		2,124,435
<b>Capital and reserves</b>					
Called up share capital	10	250,000		250,000	
Profit and loss reserves		1,758,999		1,874,435	
<b>Total equity</b>			2,008,999		2,124,435

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 and delivered 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 19 February 2018



Mr B Mitchell  
Director

Company Registration No. 03297927

# MMM MEDICAL EQUIPMENT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **1 Accounting policies**

#### **Company information**

MMM Medical Equipment UK Limited is a private company limited by shares 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

#### **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 credited or charged to profit or loss.

#### **1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). 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 2017

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#### **1 Accounting policies**

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) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried 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 the lower of replacement cost and 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 Long term contracts**

Where the outcome of a contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature and provided it is probable they will be recovered.

# MMM MEDICAL EQUIPMENT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **1 Accounting policies**

#### **1.7 Cash at bank and in hand**

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

#### **1.8 Financial instruments**

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

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

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 debtors 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. Financial assets classified as receivable within one year are not amortised.

##### ***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. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# MMM MEDICAL EQUIPMENT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1 Accounting policies

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

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

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

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



# MMM MEDICAL EQUIPMENT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 1 Accounting policies

##### 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.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 37 (2016 - 34).

#### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2017	241,239	757,542	998,781
Additions	3,426	138,884	142,310
Disposals	-	(35,554)	(35,554)
At 31 December 2017	244,665	860,872	1,105,537
<b>Depreciation and impairment</b>			
At 1 January 2017	110,502	546,661	657,163
Depreciation charged in the year	48,476	81,660	130,136
Eliminated in respect of disposals	-	(28,006)	(28,006)
At 31 December 2017	158,978	600,315	759,293
<b>Carrying amount</b>			
At 31 December 2017	85,687	260,557	346,244
At 31 December 2016	130,737	210,881	341,618

# MMM MEDICAL EQUIPMENT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 4 Stocks

	2017 £	2016 £
Parts of spares and machine stock	922,758	821,360
Work in progress	299,815	324,750
Payments received on account	(238,037)	(10,053)
	<u>984,536</u>	<u>1,136,057</u>

### 5 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,448,265	1,413,797
Gross amounts due from contract customers	15,265	50,115
Other debtors	82,066	37,154
	<u>1,545,596</u>	<u>1,501,066</u>

### 6 Creditors: amounts falling due within one year

	2017 £	2016 £
Obligations under finance leases	32,548	17,562
Trade creditors	211,939	126,440
Amounts due to group undertakings	294,319	66,194
Corporation tax payable	37,988	79,044
Other taxation and social security	344,284	236,964
Payments received on account	74,769	165,827
Other creditors	587,296	616,354
	<u>1,583,143</u>	<u>1,308,385</u>

### 7 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Obligations under finance leases	<u>52,714</u>	<u>32,440</u>

# MMM MEDICAL EQUIPMENT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 8 Finance lease obligations

	2017 £	2016 £
Future minimum lease payments due under finance leases:		
Within one year	36,719	20,253
In two to five years	58,925	37,026
	<u>95,644</u>	<u>57,279</u>
Less: future finance charges	(10,382)	(7,277)
	<u>85,262</u>	<u>50,002</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.

### 9 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	62,229	56,993
	<u>62,229</u>	<u>56,993</u>

### 10 Share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 250,000 Ordinary shares of £1 each	<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 2017

### 11 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, as follows:

	2017 £	2016 £
Within one year	121,319	135,936
Between two and five years	87,469	211,628
In over five years	-	33,850
	<u>208,788</u>	<u>381,414</u>

### 12 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	<u>96,684</u>	<u>91,922</u>

### 13 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.

### 14 Parent company

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 ultimate parent company, which is Koller Holding GmbH..

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

# MMM MEDICAL EQUIPMENT UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 15 Prior period adjustment

Prior period adjustment relates to the disclosure of machine stock previously included in Work in Progress, whereas this should have been included in closing stock.

#### Changes to the balance sheet

	At 31 December 2016		
	As previously reported	Adjustment	As restated
	£	£	£
<b>Current assets</b>			
Stocks	1,043,770	92,287	1,136,057
<b>Creditors due within one year</b>			
Other creditors	(525,711)	(92,287)	(617,998)
	<u>          </u>	<u>          </u>	<u>          </u>
 Net assets	 2,124,435	 -	 2,124,435
	<u>          </u>	<u>          </u>	<u>          </u>

#### Changes to the profit and loss account

	Period ended 31 December 2016		
	As previously reported	Adjustment	As restated
	£	£	£
 Profit for the financial period	 349,913	 -	 349,913
	<u>          </u>	<u>          </u>	<u>          </u>