

Company Registration No. 4530717 (England and Wales)

UK INDEPENDENT MEDICAL SERVICES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

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UK INDEPENDENT MEDICAL SERVICES LIMITED

COMPANY INFORMATION

Directors	I J Medforth P C Healey
Secretary	P R Gray
Company number	4530717
Registered office	Indigo House Belmont Business Park Durham DH1 1TW
Auditors	HW Floor 11 Cale Cross House 156 Pilgrim Street Newcastle upon Tyne NE1 6SU
Bankers	HBOS Bank of Scotland 144/148 High Street Southampton SO14 2JF

UK INDEPENDENT MEDICAL SERVICES LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the financial statements	9 - 22

UK INDEPENDENT MEDICAL SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2009

The directors present their report and financial statements for the year ended 31 March 2009.

Principal activities and review of the business

The principal activity of the company continued to be the supply of medico legal services to the legal and insurance professions.

Review of the business

This year saw a number of significant, positive changes for UKIM, particularly in relation to our growth and profitability. We continue to win sales from all of our competitors and retain clients due to our commitment to excellence. To support our current and future growth, our bankers have provided all of the necessary financial support and are fully committed to the business. The hard work and commitment of the workforce has also been recognised recently when UKIM finished runners up for the Company of the Year in the North East Business Awards.

Results and key performance indicators

Our core business still provides the basis for the majority of our current growth and profitability. During the year, UKIM handled in excess of 34,000 medical instructions, which represent an increase of 60% on the prior year. Gross Profit Margin has increased to 40% due to further growth in the Company's non core business activities. Profit before tax increased threefold compared to the prior year. To aid this growth, the Company has invested heavily in staff and their subsequent training. Headcount increased by 33% during the year and overall training expenditure increased by 24%. This has partly helped with the company re-attaining the 'Investors In People' status.

Principle risks and uncertainties

The main risk to the Company is the loss of sales to key competitors. However, UKIM have looked to mitigate this risk by striving for excellence in customer care and by constantly looking to diversify the customer base.

Future developments

Going forward, the business will continue to look at growth opportunities within its core arena and through diversification of its portfolio of business services. As the 1st quarter of the current financial year closes, the Company continues to expand and has subsequently added a further 10 staff. With regard to liquidity, one of the advantages of being a signatory to the MROA scheme, whereby Insurers are offered the opportunity to take the benefit of a conditional discount for early settlement, is that we have achieved our growth on a break-even net cash position thus we are well placed for future expansion.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 April 2008:

I J Medforth

P C Healey

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that HW be reappointed as auditors of the company will be put to the Annual General Meeting.

UK INDEPENDENT MEDICAL SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which 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 1985. 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.

Statement of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



.....
J Medforth
Director
.....

UK INDEPENDENT MEDICAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF UK INDEPENDENT MEDICAL SERVICES LIMITED

We have audited the financial statements of UK Independent Medical Services Limited for the year ended 31 March 2009 set out on pages 5 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is consistent with the financial statements, if the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

UK INDEPENDENT MEDICAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF UK INDEPENDENT MEDICAL SERVICES LIMITED

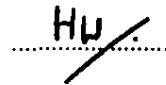
Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

HW

**Chartered Accountants
Registered Auditor**



Floor 11 Cale Cross House
156 Pilgrim Street
Newcastle upon Tyne
NE1 6SU

20 October 2009

UK INDEPENDENT MEDICAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2009

	Notes	2009 £	2008 £
Turnover	2	8,933,904	6,130,518
Cost of sales		(5,391,637)	(3,897,925)
Gross profit		3,542,267	2,232,593
Administrative expenses		(2,342,737)	(1,657,001)
Other operating income		-	38,106
Operating profit	3	1,199,530	613,698
Investment income	4	-	20,752
Other interest receivable and similar income	4	2,547	6,885
Amounts written off investments	5	-	(20,752)
Interest payable and similar charges	6	(170,361)	(278,732)
Profit on ordinary activities before taxation		1,031,716	341,851
Tax on profit on ordinary activities	7	(323,213)	(112,208)
Profit for the year	19	708,503	229,643

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

UK INDEPENDENT MEDICAL SERVICES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Intangible assets	9	181,194		213,020	
Tangible assets	10	289,451		115,784	
Investments	11	607		606	
		<u>471,252</u>		<u>329,410</u>	
Current assets					
Stocks	12	422,446		316,858	
Debtors	13	8,608,396		6,748,652	
Cash at bank and in hand		2,486		56,634	
		<u>9,033,328</u>		<u>7,122,144</u>	
Creditors: amounts falling due within one year	14	<u>(7,954,858)</u>		<u>(6,518,225)</u>	
Net current assets		<u>1,078,470</u>		<u>603,919</u>	
Total assets less current liabilities		<u>1,549,722</u>		<u>933,329</u>	
Creditors: amounts falling due after more than one year	15	(111,474)		(135,392)	
Provisions for liabilities	16	<u>(398,928)</u>		<u>(287,120)</u>	
		<u>1,039,320</u>		<u>510,817</u>	
Capital and reserves					
Called up share capital	18	100,000		100,000	
Profit and loss account	19	939,320		410,817	
Shareholders' funds	20	<u>1,039,320</u>		<u>510,817</u>	

Approved by the Board and authorised for issue on 12th October 2009


J Medforth
Director

Company Registration No. 4530717

UK INDEPENDENT MEDICAL SERVICES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2009

	2009	2008
£	£	£
Net cash inflow from operating activities	756,869	281,983
Returns on Investments and servicing of finance		
Interest received	2,547	6,885
Interest paid	(170,361)	(278,732)
Net cash outflow for returns on Investments and servicing of finance	(167,814)	(271,847)
Taxation	(122,368)	(48,182)
Capital expenditure and financial investment		
Payments to acquire intangible assets	(19,026)	(34,624)
Payments to acquire tangible assets	(200,056)	(61,785)
Payments to acquire investments	-	(8,996)
Net cash outflow for capital expenditure	(219,082)	(105,405)
Acquisitions and disposals		
Purchase of subsidiary undertakings (net of cash acquired)	(1)	(602)
Net cash outflow for acquisitions and disposals	(1)	(602)
Equity dividends paid	(180,000)	-
Net cash inflow/(outflow) before management of liquid resources and financing	67,604	(144,053)
Financing		
New long term bank loan	-	54,388
Other new short term loans	-	123,589
Repayment of long term bank loan	(54,388)	(65,029)
Repayment of other long term loans	-	(187,500)
Repayment of other short term loans	(61,978)	(10,000)
Net cash outflow from financing	(116,366)	(84,552)
Decrease in cash in the year	(48,762)	(228,605)

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2009

1	Reconciliation of operating profit to net cash inflow from operating activities	2009	2008
		£	£
	Operating profit	1,199,530	613,698
	Depreciation of tangible assets	65,586	48,309
	Amortisation of intangible assets	50,852	39,992
	(Increase)/decrease in stocks	(105,588)	21,823
	Increase in debtors	(1,859,744)	(2,434,540)
	Increase in creditors within one year	1,308,215	1,794,585
	Net effect of foreign exchange differences	-	(3,089)
	Other reserve movement	98,018	201,205
	Net cash inflow from operating activities	756,869	281,983

2	Analysis of net debt	1 April 2008	Cash flow	Other non-cash changes	31 March 2009
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	56,634	(54,148)	-	2,486
	Bank overdrafts	(211,083)	5,386	-	(205,697)
		<u>(154,449)</u>	<u>(48,762)</u>	<u>-</u>	<u>(203,211)</u>
	Debt:				
	Finance leases	-	(39,197)	-	(39,197)
	Debts falling due within one year	(123,589)	61,978	-	(61,611)
	Debts falling due after one year	(54,388)	54,388	-	480
		<u>(177,977)</u>	<u>77,169</u>	<u>-</u>	<u>(100,328)</u>
	Net debt	<u>(332,426)</u>	<u>28,407</u>	<u>-</u>	<u>(303,539)</u>

3	Reconciliation of net cash flow to movement in net debt	2009	2008
		£	£
	Decrease in cash in the year	(48,762)	(228,605)
	Cash outflow from decrease in debt and lease financing	77,169	84,552
	Movement in net debt in the year	28,407	(144,053)
	Opening net debt	(332,426)	(188,373)
	Closing net debt	<u>(303,539)</u>	<u>(332,426)</u>

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Income is recognised when, and to the extent that, the company obtains the right to consideration in exchange for its performance.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life - 20 years.

1.5 Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases the identifiable expenditure is deferred and amortised over the period during which the company is expected to benefit. This period is between 3 and 5 years. Provision is made for any impairment.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% straight line method
Motor vehicles	20% straight line

1.7 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value. During 2007/08 an internal group reorganisation involving no intrinsic loss to the group as a whole was made, a true and fair override was taken in order to reflect the true substance of the transaction. Rather than book a provision against the carrying value of the investment, the potential diminution in value was transferred to goodwill.

1.9 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value. Costs include all direct expenditure based on normal levels of activity.

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting policies

(continued)

1.10 Revenue recognition

Revenue is recognised at the point at which the relevant medical report or notes are received from the Medical Expert and have been sent on to the insurer or solicitor.

1.11 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.12 Deferred taxation

Deferred taxation 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.

1.13 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2009	2008
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	50,852	39,992
Depreciation of tangible assets	65,586	48,309
Operating lease rentals	60,939	60,369
Auditors' remuneration (including expenses and benefits in kind)	4,500	4,500

4 Investment income

	2009	2008
	£	£
Income from shares in group undertakings	-	20,752
Bank interest	2,547	6,885
	<u>2,547</u>	<u>27,637</u>

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

5	Amounts written off investments	2009	2008
		£	£
	Amounts written off fixed asset investments:		
	- permanent diminution in value	-	20,752
		<u> </u>	<u> </u>
6	Interest payable	2009	2008
		£	£
	On bank loans and overdrafts	8,171	13,432
	On amounts payable to factors	162,032	256,069
	Other interest	158	9,231
		<u> </u>	<u> </u>
		<u>170,361</u>	<u>278,732</u>

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

7	Taxation	2009 £	2008 £
	Domestic current year tax		
	U.K. corporation tax	308,776	113,450
	Adjustment for prior years	647	(547)
	Current tax charge	309,423	112,903
	Deferred tax		
	Deferred tax charge/credit current year	13,790	(695)
		323,213	112,208
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,031,716	341,851
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 30.00%)	288,880	102,555
	Effects of:		
	Non deductible expenses	27,483	19,133
	Depreciation add back	31,968	26,490
	Capital allowances	(33,648)	(26,147)
	Adjustments to previous periods	647	(547)
	Chargeable disposals	-	6,226
	Dividends and distributions received	-	(6,226)
	Other tax adjustments	(5,907)	(8,581)
		20,543	10,348
	Current tax charge	309,423	112,903
8	Dividends	2009 £	2008 £
	Ordinary interim paid	180,000	-

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

9 Intangible fixed assets

	Goodwill	Development Costs	Total
	£	£	£
Cost			
At 1 April 2008	69,246	226,462	295,708
Additions	-	19,027	19,027
At 31 March 2009	69,246	245,489	314,735
Amortisation			
At 1 April 2008	-	82,688	82,688
Charge for the year	3,486	47,367	50,853
At 31 March 2009	3,486	130,055	133,541
Net book value			
At 31 March 2009	65,760	115,434	181,194
At 31 March 2008	69,246	143,774	213,020

Development costs have been capitalised in accordance with the SSAP 13. The costs relate to the development of the Proclaim system. The first stage of development was completed on 1 October 2005 and further enhancements have been made in the year. The amount capitalised is being written off over a period of 5 years.

During the year ended 31 March 2008 as part of a rationalisation of the group, the trade and assets of UK Legal Imaging Services Limited were transferred to UK Independent Medical Services Limited (the Parent undertaking). This resulted in an apparent overvaluation of investments in the Parent company's books, although there was no overall loss to the Group. Schedule 4 to the Companies Act 1985 requires that, where such an overvaluation is expected to be permanent, the investment should be written down accordingly. The directors consider that as the substance of the transaction was merely to reorganise the Group's operations, such a treatment would fail to give a true and fair view and the diminution in value of investments has instead been reallocated to goodwill. The effect on the Parent Company's balance sheet of this departure from the requirements of Schedule 4 is to recognised goodwill of £69,246. Amortisation of £3,486 (2008: £nil) has been charged during the year.

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

10 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2008	279,278	-	279,278
Additions	197,504	41,745	239,249
	<u>476,782</u>	<u>41,745</u>	<u>518,527</u>
At 31 March 2009	476,782	41,745	518,527
Depreciation			
At 1 April 2008	163,494	-	163,494
Charge for the year	64,422	1,160	65,582
	<u>227,916</u>	<u>1,160</u>	<u>229,076</u>
At 31 March 2009	227,916	1,160	229,076
Net book value			
At 31 March 2009	248,866	40,585	289,451
	<u>248,866</u>	<u>40,585</u>	<u>289,451</u>
At 31 March 2008	115,784	-	115,784
	<u>115,784</u>	<u>-</u>	<u>115,784</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 March 2009	40,585
	<u>40,585</u>
Depreciation charge for the year	
At 31 March 2009	1,160
	<u>1,160</u>

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

11 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2008	21,358
Additions	1
	<hr/>
At 31 March 2009	21,359
	<hr/>
Provisions for diminution in value	
At 1 April 2008 & at 31 March 2009	20,752
	<hr/>
Net book value	
At 31 March 2009	607
	<hr/>
At 31 March 2008	606
	<hr/>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or Incorporation	Class	Shares held %
Subsidiary undertakings			
Axis Costs Limited	England and Wales	Ordinary	100.00
UK Legal Funding Solutions Limited	England and Wales	Ordinary	100.00
UK Legal Imaging Services Limited	England and Wales	Ordinary	100.00
Independent Medical Experts Limited	England and Wales	Ordinary	100.00
Independent Medicals Limited	England and Wales	Ordinary	100.00
Independent Medical Assessment Services Limited	England and Wales	Ordinary	100.00
Independent Medical Providers Limited	England and Wales	Ordinary	100.00
Independent Medical Reporting (IMR) Limited	England and Wales	Ordinary	100.00
Independent Reports Limited	England and Wales	Ordinary	100.00
Independent Medical Reports Limited	England and Wales	Ordinary	100.00

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

11 Fixed asset investments

(continued)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2009 £	Profit/(loss) for the year 2009 £
	Principal activity		
Axis Costs Limited	Dormant	1	-
UK Legal Funding Solutions Limited	Dormant	2	-
UK Legal Imaging Services Limited	Dormant	2	-
Independent Medical Experts Limited	Dormant	100	-
Independent Medicals Limited	Dormant	100	-
Independent Medical Assessment Services Limited	Dormant	100	-
Independent Medical Providers Limited	Dormant	100	-
Independent Medical Reporting (IMR) Limited	Dormant	100	-
Independent Reports Limited	Dormant	100	-
Independent Medical Reports Limited	Dormant	2	-

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet. All of the above subsidiaries are non-trading/dormant.

12 Work in progress

	2009 £	2008 £
Work in progress	422,446	316,858

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

13 Debtors	2009 £	2008 £
Trade debtors	8,213,627	6,422,885
Amounts owed by subsidiary undertakings	-	5,126
Other debtors	58,747	6,803
Prepayments and accrued income	336,022	313,838
	<u>8,608,396</u>	<u>6,748,652</u>

Amounts falling due after more than one year and included in the debtors above are:

	2009 £	2008 £
Other debtors	<u>28,197</u>	<u>-</u>

14 Creditors: amounts falling due within one year	2009 £	2008 £
Bank loans and overdrafts	267,308	334,672
Net obligations under finance leases	8,727	-
Trade creditors	3,227,913	2,206,327
Corporation tax	308,776	121,721
Other taxes and social security costs	1,140,423	724,106
Other creditors	2,562,320	2,987,227
Accruals and deferred income	439,391	144,172
	<u>7,954,858</u>	<u>6,518,225</u>

Included within other creditors is £2,551,718 (2008: £2,976,625) secured against the trade debtors to which relates.

Net obligations under hire purchases/finance leases are secured against the asset to which they relate.

There are two debentures in place containing fixed and floating charges in favour of the Bank of Scotland, both dated 9 August 2007.

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

15 Creditors: amounts falling due after more than one year	2009 £	2008 £
Bank loans	-	54,388
Other loans	81,004	81,004
Net obligations under finance leases	30,470	-
	<u>111,474</u>	<u>135,392</u>
Analysis of loans		
Wholly repayable within five years	142,615	258,981
	<u>142,615</u>	<u>258,981</u>
Included in current liabilities	(61,611)	(123,589)
	<u>81,004</u>	<u>135,392</u>
Loan maturity analysis		
In more than one year but not more than two years	81,004	54,388
In more than two years but not more than five years	-	142,615
	<u>-</u>	<u>142,615</u>
Net obligations under finance leases		
Repayable between one and five years	39,197	-
	<u>39,197</u>	<u>-</u>
Included in liabilities falling due within one year	(8,727)	-
	<u>30,470</u>	<u>-</u>

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

18 Share capital	2009	2008
	£	£
Authorised		
100,000 Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000
19 Statement of movements on profit and loss account		Profit and loss account £
Balance at 1 April 2008		410,817
Profit for the year		708,503
Dividends paid		(180,000)
Balance at 31 March 2009		939,320
20 Reconciliation of movements in shareholders' funds	2009	2008
	£	£
Profit for the financial year	708,503	229,643
Dividends	(180,000)	-
Net addition to shareholders' funds	528,503	229,643
Opening shareholders' funds	510,817	281,174
Closing shareholders' funds	1,039,320	510,817

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

21 Financial commitments

At 31 March 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2010:

	Land and buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Operating leases which expire:				
Between two and five years	67,563	-	1,120	-
In over five years	-	67,563	-	-
	<u>67,563</u>	<u>67,563</u>	<u>1,120</u>	<u>-</u>

22 Directors' emoluments

	2009	2008
	£	£
Emoluments for qualifying services	346,689	158,353
Company pension contributions to money purchase schemes	13,227	7,439
	<u>359,916</u>	<u>165,792</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2008 - 2).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	175,267	59,540
Company pension contributions to money purchase schemes	<u>6,226</u>	<u>6,048</u>

UK INDEPENDENT MEDICAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

23 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2009 Number	2008 Number
Management	6	6
Direct Staff	40	30
Indirect Staff	11	6
Finance Staff	3	3
	<u>60</u>	<u>45</u>

Employment costs

	2009 £	2008 £
Wages and salaries	1,386,179	881,621
Social security costs	136,585	72,144
Other pension costs	36,788	24,314
	<u>1,559,552</u>	<u>978,079</u>

24 Control

The ultimate controlling party is P C Healey by virtue of his majority shareholding.

25 Related party transactions

Included within other loans is an amount of £nil (2008: £20,754) due to UK Legal Imaging Services Limited and £81,002 (2008: £81,002) due to UK Legal Funding Solutions Limited, 100% subsidiaries of UK Independent Medical Services Limited.