

REGISTRAR OF COMPANIES

Registration number: 05015346

Garstang Medical Services Limited
Unaudited Financial Statements
31 March 2020



Garstang Medical Services Limited

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**Chartered Accountants' Report to the Director on the Preparation of the Unaudited
Statutory Accounts of
Garstang Medical Services Limited
for the Year Ended 31 March 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Garstang Medical Services Limited for the year ended 31 March 2020 as set out on pages 2 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Garstang Medical Services Limited, as a body, in accordance with the terms of our engagement letter dated 13 August 2018. Our work has been undertaken solely to prepare for your approval the accounts of Garstang Medical Services Limited and state those matters that we have agreed to state to the Board of Directors of Garstang Medical Services Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Garstang Medical Services Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Garstang Medical Services Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Garstang Medical Services Limited. You consider that Garstang Medical Services Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Garstang Medical Services Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Dodd & Co Limited

Chartered Accountants
Clint Mill
Cornmarket
PENRITH
CA11 7HW

6 August 2020

Garstang Medical Services Limited

(Registration number: 05015346)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	244,055	288,885
Current assets			
Stocks		68,004	68,004
Debtors	<u>5</u>	819,392	696,431
Cash at bank and in hand		269,623	199,069
		1,157,019	963,504
Creditors: Amounts falling due within one year	<u>6</u>	(1,165,022)	(1,010,873)
Net current liabilities		(8,003)	(47,369)
Total assets less current liabilities		236,052	241,516
Creditors: Amounts falling due after more than one year	<u>6</u>	(117,304)	(160,695)
Provisions for liabilities		(40,676)	(48,587)
Net assets		78,072	32,234
Capital and reserves			
Allotted, called up and fully paid share capital		500	500
Capital redemption reserve		125	125
Profit and loss account		77,447	31,609
Total equity		78,072	32,234

Garstang Medical Services Limited

(Registration number: 05015346)

Balance Sheet as at 31 March 2020 (continued)

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 6 August 2020

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Dr J T Williamson

Director

Garstang Medical Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Garstang Medical Centre
Kepple Lane
Garstang
PRESTON
PR3 1PB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The company has net current liabilities at 31 March 2020 and meets its day to day working capital requirements by making use of usual payment terms offered by suppliers. The directors consider it appropriate to prepare the financial statements on the going concern basis.

However, should this working capital facility be withdrawn and not replaced, leaving the company unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify fixed assets and long term liabilities as current assets and current liabilities.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Other grants

Other grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets on a basis consistent with the depreciation policy.

Garstang Medical Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and equipment	15% straight line
Fixtures, fittings and office equipment	15% straight line
Land and buildings	Straight line over 24 years and straight line over 13 years
Motor vehicles	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for the sale of goods or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Garstang Medical Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method where due after more than one year.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 48 (2019 - 50).

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Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

4 Tangible assets

	Land and buildings £	Plant and equipment £	Motor vehicles £	Furniture, fittings and office equipment £	Total £
Cost or valuation					
At 1 April 2019	96,900	286,375	23,570	38,958	445,803
Additions	-	334	-	921	1,255
Disposals	-	-	(10,995)	-	(10,995)
At 31 March 2020	96,900	286,709	12,575	39,879	436,063
Depreciation					
At 1 April 2019	30,732	75,438	15,918	34,830	156,918
Charge for the year	5,337	32,951	367	1,246	39,901
Eliminated on disposal	-	-	(4,811)	-	(4,811)
At 31 March 2020	36,069	108,389	11,474	36,076	192,008
Carrying amount					
At 31 March 2020	60,831	178,320	1,101	3,803	244,055
At 31 March 2019	66,168	210,937	7,652	4,128	288,885

5 Debtors

	2020 £	2019 £
Trade debtors	791,970	679,568
Other debtors	27,422	16,863
	819,392	696,431

Garstang Medical Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

6 Creditors

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>7</u>	40,740	43,103
Trade creditors		1,007,640	905,705
Taxation and social security		27,553	15,704
Corporation tax liability		76,236	39,990
Other creditors		<u>12,853</u>	<u>6,371</u>
		<u>1,165,022</u>	<u>1,010,873</u>
Due after one year			
Loans and borrowings	<u>7</u>	<u>117,304</u>	<u>160,695</u>

Garstang Medical Services Limited

Notes to the Financial Statements for the Year Ended 31 March 2020 (continued)

7 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	8,358	8,062
Finance lease liabilities	32,382	35,041
	<u>40,740</u>	<u>43,103</u>

Current loans and borrowings includes the following liabilities, on which security has been given by the company:

	2020 £	2019 £
Bank borrowings	8,358	8,062
Finance lease liabilities	32,382	35,041
	<u>40,740</u>	<u>43,103</u>

Current bank borrowings are secured by a fixed and floating charge over all assets of the company.
Current finance lease liabilities are secured on the assets to which they relate.

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	25,555	33,906
Finance lease liabilities	91,749	126,789
	<u>117,304</u>	<u>160,695</u>

Non-current loans and borrowings includes the following liabilities, on which security has been given by the company:

	2020 £	2019 £
Bank borrowings	25,555	33,906
Finance lease liabilities	91,749	126,789
	<u>117,304</u>	<u>160,695</u>

Non-current bank borrowings are secured by a fixed and floating charge over all assets of the company.
Non-current finance lease liabilities are secured on the assets to which they relate.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.